TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas

BUREAU OF BUSINESS RESEARCH : THE UNIVERSITY OF TEXAS

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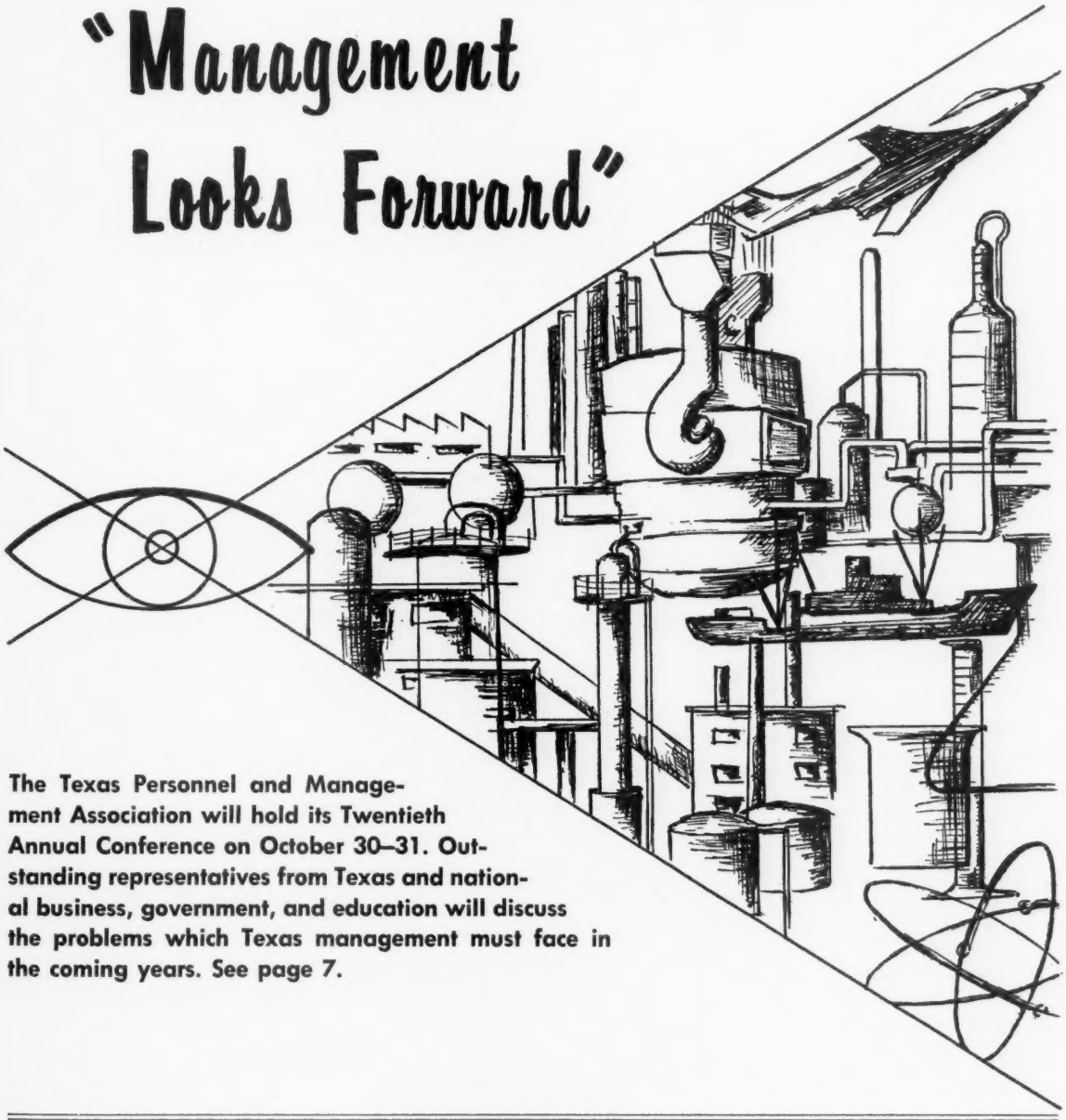
"Management Looks Forward"



The Texas Personnel and Management Association will hold its Twentieth Annual Conference on October 30–31. Outstanding representatives from Texas and national business, government, and education will discuss the problems which Texas management must face in the coming years. **See page 7.**

The Business Situation in Texas

By FRANCIS B. MAY

The Index of Texas Business Activity declined 2% in August from its July high of 197% of the 1947–49 average level of activity. This slight reversal of direction was one of the minor erratic variations in the rate of activity that are to be found in all economic time series. Since the rate of activity rebounded in April from its low point of 183 in March, the index has fluctuated in a narrow range of values between 193% and 197% of the base period value. A decisive break-through into higher ground will await the generally expected strong fall upturn in business. In the last two months there has been a change in business expectations from cautious optimism to buoyant anticipation of a high level of activity in the last quarter of the year with continuation of recovery in 1959. August usually is the final month of the summer doldrums.

The rate of activity in August was 5% below August of last year, indicating that the recovery has not yet reached pre-recession levels. This is also true of the national economy.

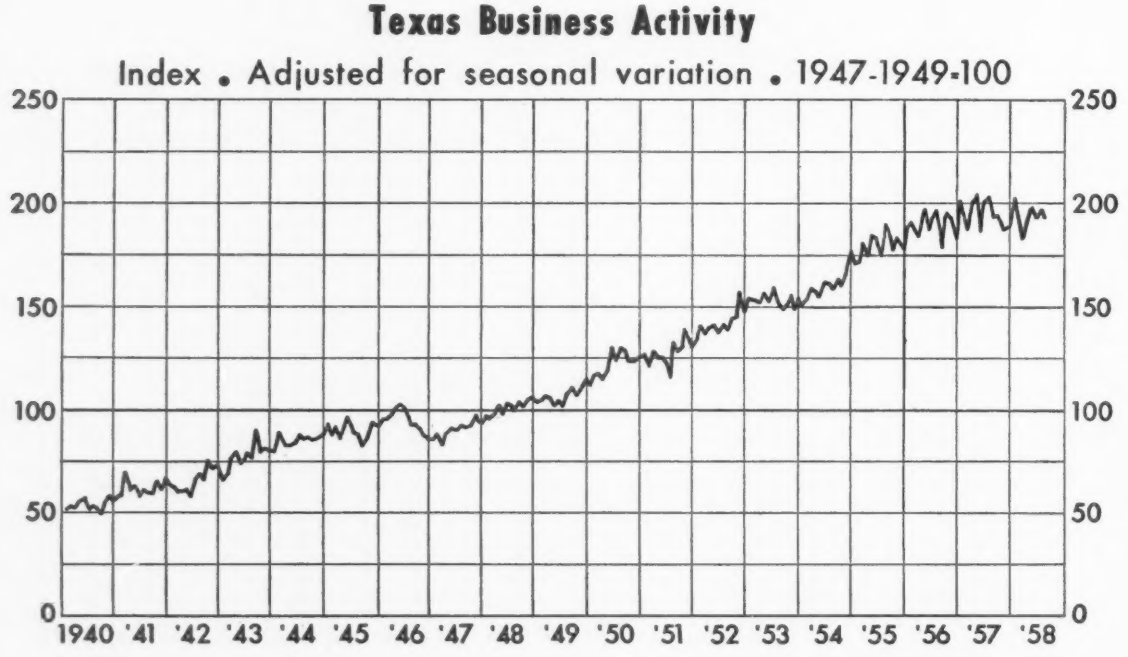
The average number of hours worked each week in manufacturing industries is an important indicator of changes in the economic climate. Average hours worked each week in Texas reached a postwar low of 39.8 in April. The low of 38.3 hours for the nation was reached in the same month. Since then the length of the work week in Texas and the nation have both increased. The Texas figure, now at 40.8 hours, has risen somewhat more rapidly than the national average. At their lows for the recession, the Texas average was significantly higher than the national average. It still is.

Miscellaneous freight carloadings increased 19% in August over July. At this level they were 8% below August 1958. As the season of heavy crop movements approaches, the good yields obtained by farmers this year should boost carloadings appreciably.

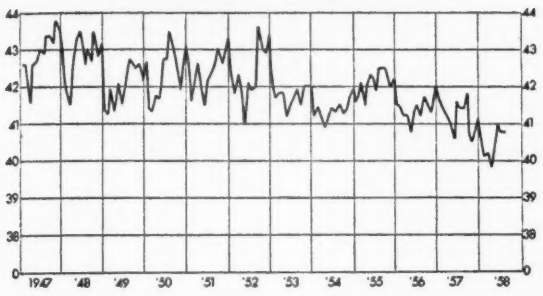
The index of crude petroleum production for August increased 11% over its July level, after taking seasonal factors into account. This improvement left the index at a level 4% below August 1958. The improvement was partly the result of an increase in the August allowable to 11 producing days and partly to an increase in the number of producing wells. There should be a further improvement in crude production in September because of the 12-day allowable for the month. However, October with its reduction to an 11-day pattern of production will see a slower rate of activity.

The retreat to an 11-day allowable in October underscores the weakness of this important segment of the state's economy. An important immediate cause of the cut-back was heavy stocks of gasoline. If cooler weather comes early this year, it will be a blessing to refiners by increasing demand for heating oils. However, the over-supply of gasoline is likely to prove troublesome in the near future, weakening prices and shortening profit margins.

It will take a considerable improvement in the demand for domestic petroleum plus a restoration of Texas' traditional share of the domestic market to restore the state's petroleum producers to as favorable a position as they once enjoyed. In August, Texas' share of domestic crude production was 39.3%. It had been as low as 35.6% during



AVERAGE WEEKLY HOURS,
TEXAS MANUFACTURING INDUSTRIES, 1947-1958



the early months of this year. In prior years it averaged 43% of domestic production.

Extremely large and constantly increasing reserves of crude abroad, particularly in the Middle East—which now has reserves of 164 billion barrels or about 72% of the Free World's reserves—will continue to be a source of embarrassment to domestic producers whose higher-priced product is at a competitive disadvantage. The fact that the United States is the largest single market for oil will focus the attention of foreign producers on increasing their penetration of this market. The strain may prove to be too much to be borne by any voluntary program of import restriction.

If the September allowable is compared with the eight-day pattern of the April-June quarter, it represents a considerable improvement. However, if it is compared with the 31-day high of December 1958, or with the 25-day allowable of October 1951, the September allowable becomes more meaningful. The trend of allowables has been steadily downward since 1948.

If data for daily production per well are examined, the picture is as bad. This figure fluctuated around 18 barrels per well per day in 1955 and 1956. Its low point this year has been 12 and a fraction barrels per well per day. Costs of production have not left much room for profit at this level of production.

Crude oil runs to stills in August advanced 3% over July, after taking seasonal factors into account. At 140% of the 1947–49 average, crude runs were 4% below August of 1957. The present over-supply of gasoline is the result not so much of increased runs to stills as of an increase in the proportion of crude converted into motor fuel. Increases in the amount of imported partially-refined products run through domestic refineries have aggravated this problem. Refined products imported into this country in August were 40% above the August 1957 level.

Total electric power consumption in August showed a very encouraging increase of 6% over July, after seasonal adjustment. This placed the index at a level which was 20% above August of 1957. Much of this increase was due to an increase in industrial electric power consumption. The latter index rose 4% between July and August, after taking seasonal factors into account. Industrial power consumption is a good indicator of industrial activity. The advance in this index shows that revival has spread to the state's industries. The fact that the index is still below last year is further evidence that recovery from the recession has not been completed.

Ordinary life insurance sales, which rose 13% in July on a seasonally adjusted basis, dropped 11% in August. The August figure was still 5% above August 1957. This has been a good year for the insurance industry in Texas. Monthly sales have been above the corresponding month of 1957 in seven of the last eight months. In May, sales were the same as in May of 1957.

Seasonally adjusted retail sales in August were not quite up to the July mark, declining 1% from that month. Sales of nondurable goods were responsible for the decline. Durable goods sales were equal to July, after allowing for seasonal factors. The decline in sales of nondurables was too small to be of much significance. After declining steadily during the first three months of 1958, retail sales, adjusted for seasonal variation, have shown advances over the preceding month three times in the last five months. Despite these advances, all categories are below the year-ago level. If the anticipated upsurge in consumer buying resulting from recent increases in consumer incomes takes place, the last quarter of 1958 should see a predominance of plus signs.

Total urban building permits issued declined 7% in August after rising 24% in July. At 273% of the 1947–49 average the seasonally adjusted index was 37% above the August 1957 value. Residential permits were largely responsible for the drop, declining 7% from July. At 300% of the base period value, these permits were 60% above the August 1957 value. The increase in savings available for investment in home mortgages and the activities of the Federal government in easing loan terms and providing credit have had an excellent effect. Nationally the rate of new nonfarm housing starts rose to 1.17 million units in August, after adjustment for seasonal variation. This is the highest rate since early in 1956.

The average rate of unemployment in the state's 17 major labor market areas in August was 6.0%. In July it was 6.6%. The decline was largely seasonal in nature, for unemployment usually declines from July to August. The comparable rate of unemployment for the nation (not adjusted for seasonal factors) in August was 6.7%. Labor market areas with the lowest unemployment rates in August

SELECTED BAROMETERS OF TEXAS BUSINESS

(Adjusted for seasonal variation, 1947–49 = 100)

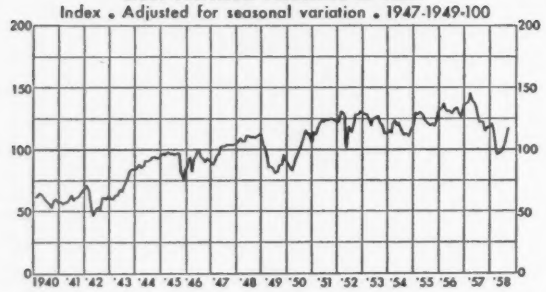
Index	Aug 1958	July 1958	Aug 1957	Percent change: Aug 1958 from July 1958	Percent change: Aug 1958 from Aug 1957
Texas Business Activity	193	197	203	— 2	— 5
Miscellaneous freight carloadings in S.W. district	80	67	87	+ 19	— 8
Crude petroleum production	117	105	122	+ 11	— 4
Crude oil runs to stills	140	136	146	+ 3	— 4
Total electric power consumption	379	358	370	+ 6	+ 2
Industrial electric power consumption	335	323	352	+ 4	— 5
Bank debits	230	235	240	— 2	— 4
Ordinary life insurance sales	359	405	342	— 11	+ 5
Total retail sales	193	195	.....	— 1	— 6
Durable goods sales	152	152	.....	**	— 13
Nondurable goods sales	215	218	.....	— 1	— 2
Urban building permits issued	273*	293*	200	— 7	+ 37
Residential	300*	323*	188	— 7	+ 60
Nonresidential	275*	277*	191	— 1	+ 44
Farm cash income, unadjusted	129*	115†	115	+ 12	+ 12

Adjusted for seasonal variation, except anual averages and farm cash income.

* Preliminary.

† Revised.

Crude Petroleum Production in Texas
Index • Adjusted for seasonal variation • 1947-1949-100



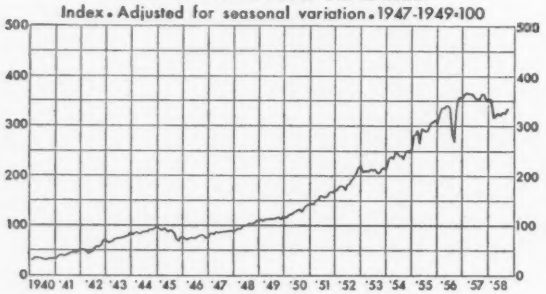
were Amarillo with 4.2% unemployed, Dallas-Garland-Irving-Grand Prairie with 4.3%, San Antonio with 4.3%, Austin and El Paso with 4.5% each, Lubbock with 5.7%, and Longview-Gladewater-Kilgore with 5.8%.

Evidence supplied by national economic indicators is also encouraging. The Federal Reserve Board Index of Industrial Production, after declining to a low of 128% of the 1947–49 average in March, has risen steadily since that time to a level of 137%, after allowing for seasonal factors. This rise has been shared by both the durable and nondurable goods components of the index. It is particularly encouraging that durable goods manufactures are increasing because this area of the economy has suffered most during this recession. The automobile industry and its suppliers, particularly the steel makers, have felt the effects of the recession acutely. The improvement in consumer incomes and the decline in automobile loans outstanding of almost a billion dollars add color to the optimistic expectations of automobile manufacturers for new car sales.

The action of ten of the twelve regional Federal Reserve Banks in raising the discount rate slightly to 2% from 1¾% suggests that the threat of inflation accompanying the business revival once again commands the attention of the central monetary authority. This action is proof enough of a firm revival of business in nearly all Federal Reserve districts.

How far and how rapidly will the new "boom" proceed? Opinions differ. The more optimistic economists think that the recovery phase of the current business cycle will be completed by the final quarter of 1959. The more pessimistic think that recovery will move more slowly with new highs in economic activity deferred until 1960. As the national economy moves forward, Texas will move with it. Recovery here should be less spectacular than for the nation because of the mild effects of the recession on the Texas economy.

Industrial Electric Power Use in Texas
Index • Adjusted for seasonal variation • 1947-1949-100



TEXAS BUSINESS REVIEW

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Retail Trade:

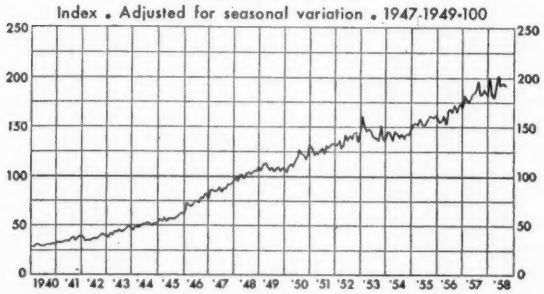
AUGUST SALES SHOW NO IMPROVEMENT

By TINA PIEDRAHITA

Dollar sales. August 1958 sales of Texas retail stores were estimated at $1,052.6 million, a 2% increase over July 1958. However, total sales dropped 6% from August 1957 and for the eight-month period were 2% below January-August 1957, with durable goods contributing the major decrease. Although durable goods sales ($290.7 million) remained unchanged from July 1958, they showed a 13% decline from August 1957 and dropped 9% in the January-August period of comparison. Nondurable goods sales ($761.9 million) were 3% above July 1958, dropped 2% from August 1957, and were 2% ahead in the eight-month comparison.

Retail Sales in Texas

Index • Adjusted for seasonal variation • 1947-1949-100



August indices. The preliminary August index of total Texas retail sales (1947-49=100 and adjusted for seasonal variation) was 193, two points below the July index but ten points above the average month for 1957. The durable goods index (152) remained unchanged from July 1958, but was 17 points below the average month for 1957, while the nondurable goods index was three points below the July 1958 index and 25 points above the average month for 1957. Deflated for price changes, the August index of total retail sales was 164, as compared with the deflated indices for July (166) and June (164).

Sales by store types. The only decreases in August 1958 from the preceding month in sales by durable and nondurable goods stores were reported by gasoline and service stations (—9%), men's and boys clothing stores (—7%), and automotive stores (—1%); increases over July 1958 ranged from 1% to 28%.

In the durable goods stores tabulation, sales by motor vehicle dealers were 20% below August 1957; for the January-August 1958 period sales were 13% below those for the same period last year. Sales by furniture and household appliance stores were 2% below August 1957, but cumulative sales for the year remained unchanged from the same period last year. Farm implement dealers had sales 6% below August 1957; their year-to-date sales were 9% above the comparable total for 1957. Hardware stores registered the highest increase in sales over the same month last year (+5%).

Among nondurable goods stores, sales increases over August 1957 ranged from 1% to 8%. Gains were reported by country general stores (+8%); drug stores, gasoline and service stations, and unclassified apparel stores (each +5%); florists (+4%); and women's ready-to-wear stores (+1%). Sales in January-August 1958 were above those of January-August 1957 for drug stores (+8%); country general stores (+7%); food stores and gasoline and service stations (each +5%); florists (+3%); and women's ready-to-wear stores (+1%). Sales of both shoe stores and unclassified apparel stores remained unchanged from January-August 1957. For the same period, poorest showings were made by family clothing stores (—11%); office, store, and school supply dealers (—8%); and liquor stores (—7%).

ESTIMATES OF TOTAL RETAIL SALES

(Unadjusted for seasonal variation)

Type of store	Aug 1958	Jan-Aug 1958	Percent change: Aug 1958 from July 1958	Percent change: Aug 1958 from Aug 1957	Percent change: Jan-Aug 1958 from Jan-Aug 1957
	Millions of dollars				
TOTAL	1,052.6	7,935.7	+ 2	— 6	— 2
Durable goods*	290.7	2,358.1	**	— 13	— 9
Nondurable goods	761.9	5,577.6	+ 3	— 2	+ 2

*Contains automotive stores, furniture stores, and lumber, building material, and hardware stores.

**Change is less than one-half of one percent.

RETAIL SALES TRENDS BY KINDS OF BUSINESS

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Kind of business	Number of reporting establishments	Percent change in sales: Aug 1958 from July 1958	Percent change in sales: Aug 1958 from Aug 1957
DURABLE GOODS			
Automotive stores	286	— 1	— 18
Furniture and household appliance stores	160	+ 1	— 2
Lumber, building material, and hardware stores	292	+ 1	+ 2
NONDURABLE GOODS			
Apparel stores	211	+ 18	— 4
Drug stores	178	+ 2	+ 5
Eating and drinking places	97	+ 4	— 4
Food stores	307	+ 1	— 3
Gasoline and service stations	506	— 9	+ 5
General merchandise stores*	161	+ 11	— 1
Other retail stores	215	+ 5	— 6

*Includes kinds of business other than classifications listed.

Volume of department and apparel stores. Sales of Texas department and apparel stores showed a 13% increase over July 1958. But, although sales of both department and apparel stores showed substantial increases for two consecutive months, August 1958 sales were 2% below the same month last year and dropped 2% in the eight-month cumulative comparison. However, if department and apparel store sales continue improving at a similar rate, 1958 sales could still show a substantial percentage increase from last year.

In the 31 reporting cities, sales by department and apparel stores in 24 cities bettered July, 15 topped August 1957, and 14 reported sales increases for the eight-month cumulative period. Largest increases over July 1958 were

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES

Classification	Number of reporting stores	Credit ratios*		Collection ratios**	
		Aug 1958	Aug 1957	Aug 1958	Aug 1957
ALL STORES	61	66.1	65.7	36.3	36.4
BY CITIES					
Austin	4	64.7	64.0	51.4	51.3
Cleburne	3	33.0	37.3	45.8	39.9
Dallas	6	72.2	70.7	45.7	46.7
El Paso	3	58.3	57.4	26.7	28.8
Fort Worth	3	67.6	65.8	37.2	35.7
Galveston	4	63.9	61.8	44.1	44.9
Houston	3	66.2	66.0	29.6	29.8
San Antonio	5	62.5	62.6	41.4	41.2
Waco	5	60.5	59.4	42.2	43.0
BY TYPE OF STORE					
Department stores (over $1 million)	20	66.8	66.0	35.3	35.3
Department stores (under $1 million)	18	43.4	44.8	43.3	42.0
Dry goods and apparel stores	5	75.0	73.2	54.4	54.2
Women's specialty shops	11	66.6	68.4	40.6	42.0
Men's clothing stores	7	69.1	68.4	44.6	46.1
BY VOLUME OF NET SALES					
Over $1,500,000	23	67.1	66.5	36.0	36.0
$500,000 to $1,500,000	14	57.4	57.3	44.0	45.7
$250,000 to $500,000	9	39.3	43.6	47.6	43.3
Less than $250,000	15	44.4	45.4	38.9	40.2

* Credit sales as a percent of net sales.

** Collections during the month as a percent of accounts unpaid on the first of the month.

reported by stores in Lockhart (+45%), Texarkana (+39%), Cleburne (+37%), Corsicana (+35%), Brownwood (+33%), and Fort Worth (+23%). Decreases in sales ranged from 3% reported by San Angelo to 38% reported by Plainview. In the August-to-August comparison, leaders were Temple (+17%); Brownwood (+15%); Lockhart (9%); Austin, Corpus Christi, and El Paso (each +7%); and Plainview (+6%). Sales were ahead of those for January-August 1957 in Temple (+7%); Victoria (+5%); Brownwood, Bryan, Greenville, Plainview, and Port Arthur (each +4%); Lubbock and Paris (each +3%); Lockhart (+2%); and Corsicana, Marshall, and McAllen (each +1%).

Sales in Texas cities. Of the 26 Texas cities reporting a large enough number of retailers to permit individual city listings, retail sales in 22 were ahead of July 1958, four bettered August 1957, while 24 were below January-August 1957. In the July-to-August comparison, declines were reported by Sherman (—10%); Plainview (—7%); and Henderson (—4%). Henderson and Sherman, however, reported increases in sales of apparel stores (+19% and +3%, respectively), while Plainview reported an 8% increase in sales of automotive stores.

In the August-to-August comparison, gains were made by Plainview (+19%), Greenville (+4%), Fort Worth (+3%), and Paris (+1%). Declines in sales ranged from 2% reported by Temple to 26% reported by Henderson.

Only Temple (+8%) and El Paso (+1%) reported retail sales gains in the eight-month cumulative comparison. Poorest showings were made by Port Arthur (—11%); Beaumont and Henderson (each —10%); Plainview (—9%); and Galveston (—8%).

Credit and collection ratios. The August ratio of credit sales to total net sales in 61 Texas department and apparel stores was 66.1, or 0.8 point above July 1958 and 0.4 point above August 1957. Highest credit ratios were reported by Dallas (72.2%), Fort Worth (67.6%), Houston (66.2%), and Austin (64.7%). By type of store, dry goods and apparel stores (75.0%) and men's clothing stores (69.1%) reported highest credit ratios.

The ratio of collections during the month to outstandings at the first of the month was 36.3%, or 1.2 points below July 1958 and 0.1 point below August 1957. Highest collection ratios were reported by Austin (51.4%), Cleburne (45.8%), Dallas (45.7%), and Galveston (44.1%). By type of store, dry goods and apparel stores (54.4%) and men's clothing stores (44.6%) were the leaders. Austin, Cleburne, Fort Worth and San Antonio improved their collection ratios over August 1957.

Secondary trade indicators. Advertising linage in 27 Texas newspapers was 6% above July 1958 but dropped 5% from August 1957. Eighteen newspapers bettered July 1958 and eight were ahead of August 1957.

Among the 104 Texas cities reporting postal receipts for the July 26–August 22, 1958 period, 101 were above June 28–July 25, 1958 and 101 bettered July 27–August 23, 1957. The generally large percentage increases were partly the result of the recent rise in postal rates.

POSTAL RECEIPTS

City	July 26-Aug 22 1958	June 25-July 25 1958	July 27-Aug 23 1957	Percent change: July 26-Aug 22 1958 from June 28-July 25 1958	Percent change: July 20-Aug 22 1958 from July 27-Aug 23 1957
Brownfield	9,324	5,601	5,806	+ 66	+ 61
Cameron	5,384	6,140	3,080	— 12	+ 75
Childress	8,772	3,262	3,237	+169	+171
Coleman	5,541	4,139	4,469	+ 34	+ 24
Crystal City	2,544	2,627	5,634	— 3	— 55
Cuero	6,547	3,934	4,036	+ 66	+ 62
Eagle Pass	5,439	4,691	4,089	+ 16	+ 33
Edna	5,874	3,096	4,000	+ 90	+ 47
El Campo	11,793	8,202	7,403	+ 44	+ 59
Gatesville	4,727	4,052	4,245	+ 17	+ 11
Gilmer	5,497	4,522	3,147	+ 22	+ 75
Graham	9,531	6,615	5,908	+ 44	+ 61
Granbury	5,827	2,176	2,488	+168	+134
Hale Center	1,455	1,355	1,373	+ 7	+ 6
Hillsboro	6,329	4,894	9,075	+ 29	+ 45
Huntsville	9,337	8,027	8,100	+ 16	+ 15
Jacksonville	12,820	15,589	12,403	— 18	+ 3
Kenedy	3,449	2,566	2,410	+ 34	+ 43
Kerrville	11,002	10,043	8,679	+ 10	+ 27
Kirbyville	2,909	1,433	2,378	+103	+ 22
La Grange	7,723	2,806	3,356	+175	+130
Levelland	7,392	5,409	4,819	+ 37	+ 53
Littlefield	11,122	4,960	4,094	+124	+172
Lufkin	26,139	14,442	13,382	+ 81	+ 95
Marlin	7,450	4,807	4,956	+ 55	+ 50
Mission	10,295	6,871	6,395	+ 50	+ 61
Navasota	5,256	3,360	3,344	+ 56	+ 57
Pasadena	38,276	19,684	22,483	+ 69	+ 48
Pecos	11,146	10,767	7,279	+ 4	+ 53
Pittsburg	5,559	1,959	2,269	+184	+145
Plainview	18,681	11,978	12,303	+ 56	+ 52
Raymondville	9,975	5,419	4,591	+ 84	+117
Sinton	14,002	5,451	.....	+157	.....
Taft	3,174	3,003	2,085	+ 6	+ 52
Terrell	7,488	5,127	5,561	+ 46	+ 35
Victoria	35,613	23,401	26,584	+ 52	+ 34
Waxahachie	14,269	8,318	8,108	+ 72	+ 76
Yoakum	10,789	7,383	8,098	+ 47	+ 33

The problems of Texas management in a rapidly industrializing state will be the concern of a forthcoming conference, as . . . . . .

Management Looks Forward

By EDWIN W. MUMMA*

"Management looks forward" is the theme of the Texas Personnel and Management Association's Twentieth Annual Conference to be held on The University of Texas campus, October 30–31. Outstanding Texas and national business, government, and educational leaders will discuss personal, social, political, and economic problems which Texas management must face in the coming years.

As The University plans for the future during its 75th Anniversary Year, it is fitting that the Conference emphasize 20 years of service to Texas management by planning management's future in the state's rapidly expanding industrial climate.

Coordinated by Dean W. R. Woolrich and Arno Nowotny, the first Texas Personnel Conference was held on the University campus in 1939. A University executive committee, composed of Miss Dorothy Gebauer, Dr. W. E. Gettys, Dr. Stuart MacCorkle, Professor H. H. Power, Dean T. H. Shelby, Dean J. Anderson Fitzgerald, and a state advisory committee of industrial and government leaders combined to make the first conference of this type ever to be held in the state a complete success for the 191 registrants. Thousands have participated in the conferences held annually since 1939.

In his opening address at this first conference, Dean W. R. Woolrich stated, "The purpose of the First Texas Personnel Conference is to bring together employers (including personnel officers) in Texas industries, businesses, and governmental agencies, faculty members, and others, to discuss the continuing and changing features of employer-employee relations. It will give opportunity for those researching in the field of personnel to compare their findings and experience."

Truly the leaders of this first program were blessed with vision as they realized that the sleeping giant of Texas industrialism would awaken, plunging the state toward a new and more powerful destiny.

Dean Woolrich analyzed the situation: "In the thinking of many, Texas is catalogued still as an agricultural domain where the principal occupation and income is from the soil. But we must recognize that, of the existing six or seven million people in 1939, more than half of their income is from industrial enterprise. . . . It would seem most timely, therefore, that at this juncture of the state's progress, while its industrial activity is in the making, the representatives of industry, of trade, of commerce, and of education should sit down periodically and map out their course of procedure.

"The issues cannot be solved by dodging them. Specifically, *Texas is destined to become one of the key industrial states of this continent. . . .*"

Year by year, with special impetus during the turbulent war years, Texas has shown the truth of this forecast of growing population and industrialization. The more than six million Texans in 1938 grew to more than nine million in 1957. The $1,220,000,000 of income from industries and commerce in 1938 grew to $12,462,000,000 of nonfarm income in 1957. And, each year, the annual personnel conference brought together leaders of business, government, and education to provide opportunities for acquiring new knowledge and understanding, and to exchange ideas and share changing problems in an atmosphere conducive to learning.

Under the leadership of Dr. E. W. Mumma, general chairman, R. N. Dyer, industry chairman, and Dr. Norris Hiett, executive secretary, the forthcoming conference reemphasizes the prophetic words of Dean Woolrich.

"Tex" Colbert, president of Chrysler Corporation, a native Texan, graduate of The University of Texas and Harvard University Law School, will keynote the Friday luncheon meeting of the conference as he explores the tremendous social responsibilities of increasing industrialization in his speech, "The Social Aims and Contributions of Business Management."

Charles A. Perlitz, Jr., executive vice president of Continental Oil Co., will develop a political concept which business must become increasingly aware of, as he delivers the address, "Politics: Whose Business?"

Further information on the forthcoming conference may be secured by writing to: Texas Personnel & Management Association, University Station, Austin, Texas.

"The Economic Outlook," an address by Dr. Watrous H. Irons, president of the Federal Reserve Bank of Dallas, will project the economic aspects of the future. The complexities of social, political, and economic problems of business executives in the past and present and the expanding concepts for the future cannot be divorced from the growing concern over the emotional reaction of these executives. Dr. Robert L. Sutherland, director, Hogg Foundation for Mental Health at The University, will review current findings and analyze the problems of the future when he speaks on "Emotional Pressures on Executives."

The problems of business leaders are inextricably interwoven with the problems of people, labor management, and personal development. In the opening session of the conference, Patrick E. Haggerty, president and director of Texas Instruments, Inc., will speak on "A Case History of Executive Development at Texas Instruments." This analysis of executive development in a company experiencing phenomenal growth presents a blueprint for future managerial development in many Texas companies.

*Associate Professor of Management and Assistant Dean, College of Business Administration, The University of Texas.

Personnel management has grown with industrialization, and has spread to the sister fields of government and education, sometimes borrowing, sometimes giving impetus to the basic movement. Dr. William R. Spriegel, nationally known writer, speaker, and a man who has grown with the personnel movement, will analyze the past, present, and future of the movement in his speech, "Trends in Personnel Management."

Leroy Jeffers, chairman of the Board of Regents, The University of Texas, and a nationally recognized expert in labor law, will discuss "The Current Labor Situation with Projection for the Future" in the special meeting for business and industry.

"Emerging Administrative Problems in the Government" will be presented by Phillip S. Hughes, assistant director for Legislature Reference, Bureau of the Budget, Washington, D. C. He will be followed by a shirt-sleeve panel of the major speakers, moderated by Lanier Cox, University vice president, Administrative Services.

At the government meeting, a panel of government leaders will discuss the "Issues and Problems of Civil Service." R. L. Phinney, district director of the Internal Revenue Service, will be chairman of the panel, consisting of O. G. Stahl, director, Bureau of Programs and Standards, U. S. Civil Service Commission; Wm. W. Shaw, director of personnel, City of New Orleans; and A. H. Aronson, chief, Division of State Merit Systems, Department of Health, Education, and Welfare.

While leading University personnel serve in many conference administrative positions, representatives from business, government, and education assumed much of the responsibility for the success of the conferences during the past 20 years. As the Association broadened its approach to all aspects of management, the name of the annual conference was changed in 1949 from "Texas Personnel Conference" to "Texas Personnel and Management Association Conference."

The 20 years have seen these eight people serve as general chairman of the conference: Professor W. R. Woolrich, dean of the College of Engineering, 1939, 1940, 1941, 1942; Dr. Robert L. Sutherland, director, Hogg Foundation for Mental Health, 1943; Dr. J. Anderson Fitzgerald, dean of the College of Business Administration, 1944, 1945; Professor M. L. Begeman, chairman of the Department of Mechanical Engineering, 1946, 1947, 1952, 1953, 1956; Dr. Robert W. French, then director of the Bureau of Business Research, 1948; C. Read Granberry, then assistant to the President of The University of Texas, 1949; Dr. William R. Spriegel, dean of the College of Business Administration, 1950, 1951, 1954, 1955; Dr. Edwin W. Mumma, assistant dean of the College of Business Administration, 1957, 1958.

Starting with the ninth conference in 1947, an industry chairman was named to serve along with the University general chairman. R. N. Dyer of Humble Oil and Refining Co. was the first industry chairman and is serving in that capacity for this twentieth conference. O. S. Hockaday, Texas Electric Service Co., served in 1948; E. M. Wise, General Electric Co., 1949; C. C. Welhausen, Tex-Tan of Yoakum, 1950; C. D. Williamson, Williamson-Dickie Manufacturing Co., 1951, 1952; Luther Evans, Dow Chemical Co., 1953; Clay Leach, Texas Butadiene and Chemical Corp., 1954; James L. Budros, Convair Division of General Dynamics Corp., 1955; Frank McKeown, Williamson-Dickie Manufacturing Co., 1956; and Ray Mariani, Union Carbide Chemicals Co., 1957.

Three men have served in the general office of secretary and executive secretary through the 20 years. Arno Nowotny, dean of Student Life, held office until 1946; Dr. Charles Clark, director, Classified Personnel Office, served in 1947; and Dr. Norris A. Hiett, associate dean, Division of Extension, from 1948 to the present.

Policies of all the Association conferences have been developed by an active State Advisory Committee, currently composed of 41 Texas leaders, and a University Executive Committee. In 1957 a steering committee was appointed to keep closer liaison between the University and state committees. This steering committee, composed by former industry chairmen Budros, Dyer, Leach, Mariani, McKeown, and J. S. Ellis, chief, Civilian Personnel for the San Antonio Air Materiel Area, has worked hard in developing Association policies and in planning the program for the twentieth conference.

"Management looks forward" in 1958 as impending changes in industrial, social, and economic concepts drive home the realization that changes of the last 20 years, great as they have been, are but infinitesimal in view of what is coming.

The Personnel and Management Association feels that these 20 years of service to Texas management have been beneficial to all those who have participated in the conferences. For University faculty and students, it provides an exposure to the realistic problems of management and a keener insight in developing adequate philosophies. For the leaders of business and government it provides a vehicle for the coordination of efforts that has helped and must continue to help in the solution of myriads of managerial headaches.

As The University looks forward to the next 25 years of service, the Texas Personnel and Management Association, in turn, accepts its responsibility for continuing years of service. By providing opportunities for exploring philosophies and techniques of the coming age, the Association will help Texas continue along the road to industrial eminence.

Twenty years of service. Just the beginning.

Bureau of Business Research Publications

Texas Industrial Expansion

July-September 1958

by

Stanley A. Arbingast, Assistant Director

Robert H. Drenner, Research Associate

A quarterly supplement to the Directory of Texas Manufacturers. Industrial construction projects announced during the third quarter of 1958 are listed with data on cost, products, and number of employees. Twenty-five cents each; one dollar a year.

Industrial Production:

SALT PRODUCTION IN TEXAS

By MELVIN R. MASON

The average Texan who reached for the salt shaker to season his eggs this morning did not realize the extreme industrial importance of the white grains he sprinkled over his breakfast. Sodium chloride—common salt—is one of the most important basic minerals in the chemical industry today.

In 1956 Texas produced almost four million short tons of salt, or 17% of the total U. S. output. Over a three-year period Texas had risen from fourth to second place among the states in salt production. Second to Michigan, which in 1956 accounted for 23% of national salt output, Texas was followed closely by New York and Louisiana. The fact that Texas production in 1956 was 40% greater than in 1954 is explained by the expansion of the chemical industry with its increasing needs for raw materials.

Less than 3% of the mineral produced in the United States is used as "table salt," but it is utilized either directly or indirectly in a host of manufacturing processes. Leather, textiles, soap, paper, glass, petroleum products, metals, ice, rubber, plastics—these are a few of the many products whose manufacture depends upon the white mineral.

ELECTRIC POWER CONSUMPTION

Use	Aug* 1958	July* 1958	Aug† 1957	Percent change: Aug 1958 from July 1958	Percent change: Aug 1958 from Aug 1957
	Thousands of kilowatt hours				
TOTAL	4,391,172	4,026,167	4,293,226	+ 9	+ 2
Commercial	675,228	629,642	607,595	+ 7	+ 11
Industrial	2,297,649	2,166,163	2,409,962	+ 6	— 5
Residential	1,296,010	1,109,503	1,131,919	+ 17	+ 14
Other	122,285	120,859	143,750	+ 1	— 15

*Preliminary—based on reports of 10 electric power companies reported to the Bureau of Business Research and leveled to Federal Power Commission preliminary data.
†Revised to preliminary Federal Power Commission data.

Texas' supplies of salt are virtually limitless. A single deposit in South Texas is said to be great enough to supply the salt needs of the entire world for 2,000 years. Vast underground domes of the mineral are found in East Texas and along the Gulf Coast, and other large deposits lie under the West and Northwest Texas plains. Actually, salt deposits may be found all over the country. Texas' supply has special importance because of its proximity to other resources such as lime, sulphur, gas, and oil—all vital raw materials for the chemical industry.

Before the white man came, Indians secured the important mineral from salt lakes and springs. Cherokees made salt in 1834 by evaporating water from marshes at what is now Grand Saline, 65 miles east of Dallas. The first significant commercial production of salt in Texas began there in 1845 when two white men built a crude evaporation plant, boiling down the brine in open kettles.

Modern salt mining is carried on in two different ways. Underground operations, similar to those used in coal mining, are used to exploit large deposits of near-pure rock salt. Ninety percent of the mineral produced in Texas, however, is reclaimed through the evaporation of brine from wells. There are instances of natural deposits, but most of the underground brine is produced artificially. Fresh water is pumped into salt beds by pipe and is recovered as a highly concentrated solution.

Both of these methods are used by the Morton Salt Company, which extracts about 1,000 tons of salt from the earth each day at its Grand Saline works. The underground dome is estimated to be a mile across and three miles deep, Texas' largest known deposit. Morton's started shaft mining in the early 1930's. Seven hundred feet below the surface, miners blast out tons of rock salt. After being crushed, it is transported to the surface for screening and grading.

Although most of Morton's tonnage at Grand Saline is taken from the mine, brine wells are still used for most of the table salt. The solution is evaporated in huge vacuum pans which allow brine to boil at lower-than-normal temperatures because of the reduced atmospheric pressure. Controlled crystallization, which produces minute cube-crystals, gives the table salt its free-flowing characteristic. "Iodized" salt has a trace of iodine added as a goiter preventive. The company first began this practice in 1924 at the suggestion of medical authorities who were looking for a simple, effective method for reducing the instance of simple goiter, common among school children at that time.

The greater part of the salt produced in the United States goes into the making of chlorine and soda ash. In 1956, 71% of U. S. salt production was used in the manufacture of these two basic raw materials for industry.

The element chlorine, a green gas under normal atmospheric conditions, is secured by the electrolysis of brine, or, chemically speaking, of a sodium chloride solution. An important use of chlorine is the purification of public water supplies and the sterilization of sewage. The manufacture of hydrochloric acid, bleaches, fireproof solvents, synthetic plastics and rubbers, refrigerants, lubricant additives, and insecticides are but a few of its many commercial uses.

Soda ash, or anhydrous sodium carbonate (Na_2CO_3), second largest consumer of salt, is formed by the action of carbon dioxide on a concentrated salt solution in which ammonia is dissolved. Sodium bicarbonate ($NaHCO_3$) precipitates and is dried and changed by heat to soda ash. The glass and chemical industries consume about half of total soda ash production. The largest single use of the chemical is in the making of sodium phosphate, a fertilizer. Large amounts are also used in the manufacture of sodium

* Former member of the staff, Bureau of Business Research.

REFINERY STOCKS*

Source: *The Oil and Gas Journal*

Product	August 1958	Average month Jan-Aug 1958	Average month Jan-Aug 1957	Percent change
	(thousands of barrels)			
UNITED STATES				
Gasoline	173,470	189,269	191,722	— 1
Distillate	138,322	98,391	105,654	— 7
Residual	67,018	53,046	42,011	+ 26
Kerosene	28,624	21,928	25,778	— 15
TEXAS				
Gasoline	27,709	33,721	33,749	**
Distillate	16,707	12,308	13,713	— 10
Residual	10,386	7,960	7,695	+ 3
Kerosene	3,134	2,592	3,390	— 24

* Figures shown for week ending nearest last day of month.
** Change is less than one half of one percent.

bicarbonate (household baking soda) and caustic soda. The production of nonferrous metals, pulp, paper, cleansers and soaps, along with textile manufacture, water softening, and petroleum refining, are also significant uses of the basic chemical.

A list of uses of common salt would be long and diverse. For example, West Texas water, too hard for household use, is softened by being run through an apparatus containing common salt. The fact that hard water has an unpleasant taste and causes corrosion and scaling in boilers and heaters is due to the presence of calcium and magnesium compounds dissolved in the water. When exposed to salt, the objectionable compounds trade their calcium and magnesium for the sodium in the salt. The resulting sodium compounds left in the water are harmless, and the water ceases to have disagreeable characteristics.

Frontier Chemical Company in Yoakum County employs the brine well method to secure raw material for making chemicals needed in the West Texas area. Established in 1950, the plant produces liquid chlorine, liquid and solid caustic soda, hydrochloric (muriatic) acid, and salt. Hydrochloric acid and caustic soda are both important to the Texas oil industry. Most of the acid produced at the Frontier plant is used in treating oil wells. Injected under pressure into the deeper oil-bearing formations, the acid dissolves the limestone and increases the flow of oil. Utilizing tank trucks, the company ships acid directly to the fields.

Caustic soda in flake form is used in drilling oil wells in the form of a mixture with drilling mud. A caustic soda solution used in petroleum refining processes is delivered by tank truck to the plants.

In South Texas, the giant Columbia Southern Chemical Corporation of Corpus Christi secures its salt supply from an underground dome 60 miles west of the city near Benavides. Here, too, the brine well method is used. Fresh water from wells is pumped into the dome to produce brine. The salt solution forced out by the injected water is about ten times as concentrated as sea water. Only the force of gravity is needed to send the brine on its trip by pipeline to the plant, a down-hill slope all the way.

The chief products of Columbia Southern are chlorine, soda ash, caustic soda, dry ice, and drilling mud chemicals. Most of the products, of course, are basic chemicals that are sold to other industries. Chlorine is sold to city governments for water purification as well as to other chemical plants.

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

Region	August 1958*				January-August	
	Oil	Gas	Dry	Total	1958	1957
TEXAS	772	63	440	1,275	11,810	14,569
Southwest	65	9	70	144	1,420	1,777
Gulf Coast	49	11	71	131	1,346	1,664
East	64	0	29	93	811	864
North Central	259	10	185	454	3,967	5,156
West	278	4	70	352	3,429	4,137
Panhandle	57	29	15	101	837	971

* For four weeks ending August 30, 1958.

Although most of the salt taken from the earth is used in manufacturing, a proper amount of the mineral in the human body is vital to life and health. Since the body is constantly losing its salt through normal organic processes, periodic replenishments are necessary. Men who perspire excessively because of hard physical labor at high temperatures usually must take extra salt to maintain good health.

The importance of salt to man was graphically illustrated by the "Salt War" that created a violent page of Texas history in the 1870's. Feuding over the rights to a supply near El Paso led to several killings and the intervention of troops.

Salt for the table, as well as the block form for cattle and an industrial grade for industrial use, is produced by the Gulf Salt Company of Houston, which is exploiting a part of the Blue Ridge salt dome in Fort Bend County at Missouri City. Gulf Salt is using brine wells to secure a solution, 98% saturated, which is evaporated by the vacuum pan method.

A new $1-million plant to manufacture and package mineralized salt was completed recently by another Houston concern, United Salt Corporation. Located south of Houston on the Almeda-Missouri City highway, the new plant's initial production will be 1.25 million cartons of salt per month. The firm is increasing the output of its carton factory at the same location to accommodate expanded production. Industrial rock salt is produced by the same corporation at Hockley, 37 miles northwest of Houston.

Three Texas companies are engaged in the exclusive production of brine. Two firms in Houston, Brine Service Co., Inc., and Texas Brine Corporation, as well as Spindletop Minerals Company of Beaumont, sell their product to other manufacturers.

The story of salt is as old as the story of man. From the very beginnings he has searched for this mineral to season and preserve his food, and modern technology has made it

PRODUCTION OF HYDROCARBON LIQUIDS FROM GASOLINE AND RECYCLING PLANTS

(in 42-gallon barrels)

Source: Oil and Gas Division, Railroad Commission of Texas

Product	Feb 1958	Mar 1958	Apr 1958	May 1958	June 1958	July 1958	February-July	
							1958	1957
TOTAL PRODUCTION	13,256,604	14,227,032	13,592,103	13,557,928	13,579,782	14,386,222	82,629,671	87,821,122
Condensate-crude	1,086,433	1,138,834	1,085,570	1,095,340	1,068,933	1,121,856	6,596,966	6,228,580
Gasoline	6,837,480	7,432,494	7,104,043	7,118,621	7,244,810	7,713,442	43,450,890	45,606,430
Butane-propane	5,113,693	5,417,196	5,178,040	5,156,434	5,057,343	5,384,511	31,257,217	34,409,426
Other products	218,998	238,508	224,450	217,533	208,696	216,413	1,324,598	1,576,686
TOTAL GAS PROCESSED*	421,732	449,969	413,416	413,789	409,874	424,325	2,533,105	2,642,879
Yield per Mcf in gallons	1.32	1.33	1.38	1.38	1.39	1.42	1.37	1.40

* In millions of cubic feet.

an indispensable basic material for industry. Since the availability of the necessary raw materials has been a chief reason for the rapid industrialization of Texas in recent years, salt production has contributed materially to the growth of Texas industry, and as an industry in its own right will continue to expand with the further industrialization of the Southwest.

ESTIMATES OF NONAGRICULTURAL EMPLOYMENT

Source: Texas Employment Commission in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Industry	Employment (thous)			Percent change	
	Aug* 1958	July† 1958	Aug 1957	Aug 1958 from July 1958	Aug 1958 from Aug 1957
TOTAL NONAGRICULTURAL	2,456.9	2,449.8	2,489.1	**	— 1
MANUFACTURING	457.5	456.5	489.0	**	— 6
Durable goods	215.3	213.3	242.8	+ 1	— 11
Ordnance	1.4	1.4	1.6	**	— 12
Lumber and wood products	21.4	21.2	21.9	+ 1	— 2
Furniture and fixtures	11.4	11.2	11.1	+ 2	+ 3
Stone, clay, and glass	17.9	17.8	16.8	+ 1	+ 7
Primary metal	21.4	21.4	27.4	**	— 22
Fabricated metal products	22.7	22.9	23.6	— 1	— 4
Machinery (except electrical)	40.6	41.0	47.6	— 1	— 15
Electrical equipment	8.9	9.2	9.8	— 3	— 9
Transportation equipment	59.4	57.3	73.2	+ 4	— 19
Other durable goods	10.2	9.9	9.8	+ 3	+ 4
Nondurable goods	242.2	243.2	246.2	**	— 2
Food	63.4	64.0	63.9	— 1	— 1
Textile mill products	7.9	8.1	8.0	— 2	— 1
Apparel	31.4	31.5	31.4	**	**
Paper and allied products	8.6	8.5	8.6	+ 1	**
Printing and publishing	28.4	28.5	28.0	**	+ 1
Chemical and allied products	46.7	46.6	48.6	**	— 4
Petroleum products	48.2	48.7	49.6	— 1	— 3
Leather and leather products	3.9	3.9	4.2	**	— 7
Other nondurable goods	3.7	3.6	3.9	+ 3	— 5
NONMANUFACTURING	1,999.4	1,993.3	2,000.1	**	**
Mining	125.6	125.1	136.8	**	— 8
Petroleum and natural gas	117.8	117.2	128.8	+ 1	— 9
Metal, coal, and other mining	7.8	7.9	8.0	— 1	— 2
Contract construction	166.9	166.4	174.4	**	— 4
Transportation and utilities	222.4	221.1	232.3	+ 1	— 4
Interstate railroads	46.0	45.8	52.0	**	— 12
Other transportation	100.8	99.5	103.1	+ 1	— 2
Telephone and telegraph	33.6	33.7	35.8	**	— 6
Public utilities	42.0	42.1	41.3	**	+ 2
Government	367.7	368.7	356.4	**	+ 3
Trade	684.7	681.0	681.5	+ 1	**
Wholesale trade	171.1	171.0	174.9	**	— 2
Retail trade	513.6	510.0	506.6	+ 1	+ 1
General merchandise	78.5	76.5	79.5	+ 3	— 1
Food and liquor stores	102.6	102.0	96.6	+ 1	+ 6
Automotive stores	54.3	54.2	54.2	**	**
Apparel stores	27.7	27.6	30.3	**	— 9
Other retail trade	250.5	249.7	246.0	**	+ 2
Finance, insurance, and real estate	119.2	119.2	115.5	**	+ 3
Bank and trust companies	29.4	29.4	28.5	**	+ 3
Insurance	51.2	51.3	49.7	**	+ 3
Real estate and finance	38.6	38.5	37.3	**	+ 3
Service and miscellaneous	312.9	311.8	303.3	**	+ 3
Hotels and lodging places	28.6	28.8	28.6	— 1	**
Laundries and cleaners	31.9	32.0	31.3	**	+ 2
Other service and miscellaneous	252.4	251.0	243.4	+ 1	+ 4

* Preliminary.
**Change is less than one-half of one percent.
†Revised.

Agriculture:

BEEKEEPING IN TEXAS

By WILTON KILLAM

According to U.S. Department of Agriculture estimates, the value of honey and beeswax produced in Texas in 1957 totaled $2,093,000. This represented the production of some 266,000 colonies of bees and consisted of 19,944,000 pounds of honey, valued at 16.6c per pound, and 241,000 pounds of beeswax, valued at 59c per pound. In 1957 Texas was the seventh-ranking state in the production of honey. California, Minnesota, Florida, Wisconsin, Idaho, and Iowa produced more honey than Texas in 1957, but only California and Ohio had more colonies of bees than Texas. California is the leading state in the nation in both honey production and number of colonies, but Texas was ranked first in number of colonies in each census from 1900 through 1930.

Honey is made from nectar, the sweet juice that bees can collect from some flowers. Not all flowers, however, produce nectar, and, since bees collect only one kind of nectar at a time, large acreages of a particular nectar-yielding plant are necessary for commercial honey production. For a first-class beekeeping area more than one nectar source must be available over consecutive parts of the year. This enables the colonies of bees to increase the number of workers from the small number that live through the winter to a large number in order for them to collect large amounts of nectar while it is available. Nectar yields are greatly influenced by soil and weather conditions, and there is a great variation in honey yields from year to year in all states. With the Texas climate there is an even greater variation here than in most other leading states. Insecticides do not necessarily affect nectar yields, but spraying or dusting to control harmful insects can seriously handicap the beekeeper by killing his bees.

With the improved transportation facilities of the last twenty-five years most of the commercial beekeepers in Texas have become migratory to some extent. Some merely move their bees within their own county. Others winter their bees in South Texas, where there is only a short period during which the bees are unable to obtain some nectar. Even if there is not enough nectar for the bees to produce surplus honey, each colony of bees can be divided to form two or more new colonies. The new colonies can become strong before plants farther north start blooming. Those beekeepers who winter in South Texas move either to clover, vetch, or cotton farther north in Texas or to clover and alfalfa in such states as Minnesota and North and South Dakota. Questions of where and when to move are answered by the acreage and condition of nectar-yielding plants each year.

Although all but twenty-six of the 254 Texas counties reported at least some colonies of bees in 1950, commercial beekeeping is centered in certain areas. The Lower Rio Grande Valley area, composed primarily of Cameron and Hidalgo counties, is important because of the early and long nectar flow from such plants as citrus trees, cotton, and native brush. Thousands of colonies of bees are moved into this area in the fall, but, because of the division of

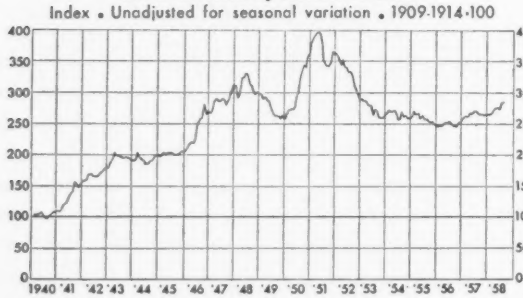
* Presently a teacher in the Lufkin Public School System, Mr. Killam wrote an MA thesis on Texas apiculture.

colonies, many more are moved north in the spring. This is also the center of the Texas royal jelly production.

Uvalde County is the most famous Texas county in Texas beekeeping, because of the thousands of carloads of honey that have been produced from such brush plants as huajillo and catclaw. Although the recent drought damaged the brush so that yields of honey have not been satisfactory for several years, counties such as Frio, Zavala, La Salle, Live Oak, and Bee continue to be important to Texas beekeeping because of the wintering possibilities these counties offer to the migratory beekeeper.

Prices Received by Farmers in Texas

Index • Unadjusted for seasonal variation • 1909-1914=100



Cotton was originally the cultivated plant most important to the Texas beekeeper. The extensive use of poisons to kill the insect enemies of cotton adversely affected beekeeping. Organic-type poisons in use today, however, are not as damaging to bees as arsenic-type poisons were. Williamson, Milam, Bell, and McLennan counties, in which large acreages are planted in cotton, are important honey producing counties, although much of their honey is now produced from clovers, such as Hubam clover, as well as from cotton. In Navarro, Ellis, Dallas, Collin, Hunt, and Delta counties honey is produced from vetch as well as from clovers and cotton. Hale County is becoming increasingly important to Texas beekeeping because of the honey produced from irrigated cotton and alfalfa.

Many other counties in the state have the natural resources for beekeeping but lack trained beekeepers with a desire to make their living keeping bees. Pasture clovers, such as White Dutch clover, are becoming more plentiful along the Coastal Bend and in timbered East Texas, yet Liberty and Grimes counties were the only counties of this area to have more than 1,000 colonies of bees in 1950. In Liberty County honey is produced not only from clovers but from native vegetation such as rattan vines, holly, huckleberries, and haws as well.

The 1950 census showed Grimes County to be one of the state's leaders in number of colonies. Although honey is produced commercially in the county, the large bee population (5,173 colonies in 1950) reflects the importance of the package bee industry in Texas. In 1956 the state produced an estimated 80,000 queen bees and 90,000 pounds of package bees, many of them being raised by the Weaver families of Navasota. This number of queens was valued at about $80,000 and the package bees were valued at about $100,000. Bees are sold particularly to northern beekeepers, who take all the honey in the hive at the of the honey producing season and do not go to the expense of wintering their bees. The following spring they buy bees packaged in wire containers and capable of being shipped to the purchaser. A two- or three-pound package of bees and a queen are ordinarily used to start a new colony. This is a satisfactory arrangement because longer days allow more honey to be produced by each colony in the northern states, but earlier springs allow Texans to raise bees before the northern honey flow starts.

Long-established uses for honey and beeswax continue. Beeswax is used in the production of candles for religious purposes. It is also used in cosmetics and waxes and polishes. The biggest use of beeswax is in the manufacture of honeycomb foundation, which beekeepers place in beehives so the combs full of honey will be evenly spaced and easily removed. Honey is used for more than a tasty spread for pancakes and bread. Because of the minerals and vitamins in honey it is being recognized as a valuable dietary supplement by some pediatricians and dieticians. In a laboratory test one man lived for ninety days on milk and honey alone. The sole addition of orange juice to his diet was necessary to prevent a diet deficiency. Honey contains sugars that can be used as an immediate source of energy, as well as sugars that must be processed by the liver before they can be utilized by the body. This makes honey valuable as a food for athletic teams.

The most spectacular "new" product of bees is royal jelly. The queen bee and the worker bee both come from the same type of egg, and the difference between the two is caused by variations in the food that the developing bees receive. The young queen is fed a very rich food known as royal jelly. This causes her to grow much larger and to grow more rapidly than the worker bee. The spectacular growth of the young queen has caused some researchers to wonder if this special food might not be of special dietary value to human beings, and occasional fragments of research seem to show that royal jelly has some promise in

FARM CASH INCOME*

Commodity	January-August 1958	January-August 1957	Percent change
	Thousand of dollars		
TOTAL	1,256,483	963,529	+ 30
Cotton	309,416	180,733	+ 71
Cottonseed	29,517	16,688	+ 77
Wheat	108,174	50,178	+116
Oats	11,460	9,589	+ 20
Corn	10,993	8,867	+ 24
Grain sorghum	100,262	46,688	+115
Flaxseed	761	258	+195
Peanuts	6,023	2,390	+152
Rice	6,182	5,025	+ 23
Cattle	271,608	231,851	+ 17
Calves	73,173	71,083	+ 3
Sheep and lambs	20,591	20,825	— 1
Hogs	35,870	54,436	— 34
Wool	14,102	17,674	— 20
Mohair	8,750	11,394	— 23
Poultry	48,273	47,506	+ 2
Eggs	37,781	35,122	+ 8
Milk and milk products	89,187	96,947	— 8
Fruit and vegetables	74,360	56,275	+ 32

*Farm cash income as computed by the Bureau understates actual farm cash income by 6% to 10%. This situation results from the fact that means of securing complete local marketings, especially by truck, have not yet been fully developed. In addition, means have not yet been developed for computing cash income from all agricultural specialities of local importance in scattered areas. This situation does not impair the accuracy of the index shown on page 24. Months of January and February, 1958, included in cumulative Farm Cash Income figures, have been revised on the basis of Farm Income Situation figures.

** Change is less than one-half of one percent.

this respect. Cosmetics manufacturers also are now using very small amounts of royal jelly in their products. These manufacturers purchase one hundred pound lots of royal jelly at a time, paying from $50 to $100 per pound. Most Texas royal jelly is produced in the Rio Grande Valley with less than $100,000 worth being produced each year.

Although bees produce millions of dollars worth of products each year, the most valuable service of bees is pollination. Most fruits, legumes, and seed crops other than grasses need insects to help pollinate them so the seeds will grow and be fertile. As native pollinizing insects are killed off by insecticides and by the destruction of their natural habitat and food, honeybees are becoming more important to agriculture as a whole. It is estimated that the value of pollination by honeybees is twenty times the value of the honey and beeswax they produce. Planned pollination, in which beekeepers are paid to bring their bees in great numbers to pollinate crops, has been most noticeable in orchard areas of the nation. Almost fantastic improvements in fruit yields have been recorded when bees were moved into orchards. In Texas, cantaloupe and cucumber growers are the most active in planned pollination. In 1957 one group of 2,000 colonies of bees was rented for five dollars per colony.

In 1930 T.W. Burleson & Son opened the first Texas commercial honey packing plant at Waxahachie. The Burleson family had been one of the prominent Texas beekeeping families for many years. In the same decade the Sioux Honey Association, with headquarters in Sioux City, Iowa, opened a branch plant in Rogers, Texas. These two firms now pack more than half of the honey sold in Texas, although some of the honey producers in the state still pack their own honey. Honey marketed by commercial packers is blended in order that the color and flavor will be as uniform as possible. Most of this honey is "extracted" honey that has been removed from the comb by means of centrifuges. This enables the beekeepers to put the honeycomb back into the hive and the bees can refill it without having to make so much wax. Very little honey is exported from the state and very little is imported.

Beekeeping in Texas is an individual or family enterprise. At any given meeting of the State Beekeepers Association a big proportion of the persons attending seem to be either Weavers, Stroopes, or Victors. Seldom is a large apiary sold to someone outside the owner's family. A son, or perhaps a nephew, usually takes over the family business. There are exceptions, of course; "outsiders" do occasionally take up beekeeping and the packing of honey, and in a few instances even corporations have entered the industry. Labor involved in beekeeping is skilled and scarce. Less capital is demanded by beekeeping than by many other kinds of agriculture and much of the state where there is now no commercial beekeeping is suitable bee territory. These facts encourage a person engaged in running an apiary for someone else to undertake beekeeping on his own.

The bee industry has a characteristic that makes it an especially valuable addition to the Texas economy. Apart from the direct contribution of its products to that economy, the industry, in the service it provides through pollination, actually adds to the state's resources.

CARLOAD SHIPMENTS OF LIVESTOCK*

Source: Bureau of Business Research in cooperation with Agricultural Marketing Service, U. S. Department of Agriculture

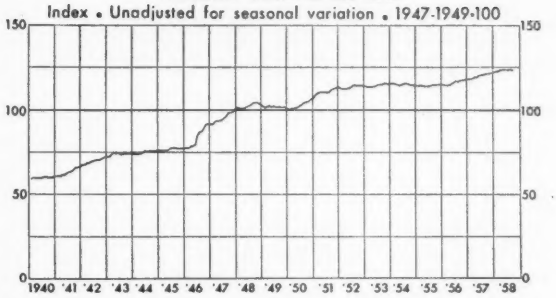
Classification	Aug 1958	July 1958	Aug 1957	Percent change: Aug 1958 from July 1958	Percent change: Aug 1958 from Aug 1957
TOTAL	2,516	2,257	3,100	+ 11	— 19
Cattle	1,374	1,594	2,169	— 14	— 37
Calves	814	331	668	+146	+ 22
Sheep	328	332	263	— 1	+ 25
INTERSTATE	2,136	2,038	2,880	+ 5	— 26
Cattle	1,081	1,416	2,003	— 24	— 46
Calves	727	295	627	+147	+ 16
Sheep	326	327	250	**	+ 30
INTRASTATE	380	219	220	+ 30	+ 73
Cattle	293	178	166	+ 65	+ 77
Calves	85	36	41	+136	+107
Sheep	2	5	13	— 60	— 85

*Rail-car basis: cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

**Change is less than one-half of one percent.

Consumers' Prices in the U. S.

Index • Unadjusted for seasonal variation • 1947-1949=100



CARLOAD SHIPMENTS OF FRUIT AND VEGETABLES

Source: Compiled from reports received from Agricultural Marketing Service, U.S. Department of Agriculture

Commodity	January-August 1958	January-August 1957	Percent change
TOTAL SHIPMENTS	25,458	21,056	+ 21
FRUIT	3,555	3,359	+ 6
Cantaloupes	1,204	1,512	— 20
Grapefruit	238	106	+125
Honeydews	604	451	+ 34
Lemons	15	.....	.....
Mixed Citrus	184	74	+149
Mixed Melons	1	5	— 80
Oranges	72	16	+350
Plums & Prunes	4	43	— 91
Strawberries	5	.....	.....
Watermelons	1,228	1,152	+ 7
VEGETABLES	21,789	17,689	+ 24
Beets	59	61	— 3
Broccoli	46	79	— 42
Cabbage	2,762	821	+236
Carrots	5,240	3,765	+ 39
Cauliflower	361	1,037	— 65
Corn	295	143	+106
Cucumbers	19	18	+ 6
Lettuce	328	1,035	— 68
Onions	4,298	3,122	+ 38
Peppers	118	23	+413
Potatoes	579	510	+ 14
Radishes	1	.....	.....
Spinach	1,318	844	+ 56
Tomatoes	2,787	3,064	+ 15
Mixed vegetables	3,578	3,117	+ 15
ALL OTHERS	114	58	+ 97

Finance:

EXPANSION OF ASSETS OF TEXAS SAVINGS AND LOAN ASSOCIATIONS

By JACK W. CASHIN*

Before considering the expansion of savings and loan association assets in recent years, it might be well to pause and discuss the nature of the savings and loan industry and determine how this industry fits into the total financial picture. A savings and loan association is primarily a savings institution and its source of funds is, for the most part, the savings of individuals. Consequently, developments which affect demand money or long-term investment funds do not necessarily affect savings and loan association funds in either the same manner or degree.

Obviously, not all saving in the country is done through institutions. Many prefer to make direct investments in bonds, stocks and other outlets. Increasingly, however, savings are institutional instead of direct. One might logically expect that inflationary developments would cause more direct investment in equity types of investment instead of savings accounts, and sometimes the withdrawal of funds from savings institutions to purchase common stocks and other equities is more pronounced than at others. However, even during the past decade when inflation has been a much discussed reality, individual savers have invested only a small portion of their savings directly.

LOANS BY SAVINGS AND LOAN ASSOCIATIONS

Source: Federal Home Loan Bank of Little Rock

Type	Aug 1958	July 1958	Aug 1957	Percent change: Aug 1958 from July 1958	Percent change: Aug 1958 from Aug 1957
	Number				
ALL LOANS	4,959	4,434	4,378	+ 12	+ 13
Construction	813	867	912	— 6	— 11
Purchase	2,507	1,929	1,700	+ 30	+ 47
Other	1,639	1,638	1,761	**	— 7
	Value (thousands of dollars)				
ALL LOANS	41,029	36,089	31,487	+ 14	+ 30
Construction	9,144	9,324	9,013	— 2	+ 1
Purchase	23,599	17,767	14,460	+ 33	+ 63
Other	8,286	8,998	8,014	— 8	+ 3

**Change is less than one-ralf of one per cent.

A savings and loan association is one of the many institutions which hold and invest savings. Savings and loan associations are often referred to as our fastest growing financial institutions. However, they are by no means the only ones or the largest. There are four types or groups of institutions which appeal to individual savers. The smallest of these groups is composed of investment funds. Investment funds have been quite actively bidding for savings during the past few years and currently hold assets of approximately $10 billion. Investment funds differ from other savings institutions primarily in that they tend to lay greater stress upon equity-type investments and appeal to those desiring a hedge against inflation. Some would object to classifying investment funds as savings institutions and would prefer to refer to them as investment institutions. Nonetheless, such institutions appeal to savers and are—especially the open-end funds—usually sold in such a manner as to appeal to those wishing to make small periodic investments.

*Associate Professor of Finance and Real Estate, The University of Texas.

FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Internal Revenue Service, U. S. Treasury Department

District	July 1-August 31: 1958	1957	Percent change
TEXAS	$392,794,794	$386,419,881†	+ 2
Income	64,072,946	62,914,776	+ 2
Employment	2,234,098	3,185,071	— 30
Withholding	273,531,240	265,679,096	+ 3
Other	52,951,510	54,640,937	— 3
SOUTHERN DISTRICT	202,424,014†	200,602,580	+ 1
Income	31,104,811	31,861,296	— 2
Employment	34,963	20,254	+ 73
Withholding	139,977,322	135,387,585	+ 3
Other	31,306,919	33,333,445	— 6
NORTHERN DISTRICT	190,370,780	185,817,301†	+ 2
Income	32,973,135	31,053,480	+ 6
Employment	2,199,136	3,164,817	— 31
Withholding	133,553,918	130,291,511	+ 3
Other	21,644,591	21,307,492	+ 2

†Details do not add to totals due to rounding.

The next division within the field of institutional savings is that of the pension funds. These are relatively new, but rapidly growing. Particularly is this true in Texas. A combination of factors, among them rapid industrialization and favorable economic conditions, have combined to cause a rapid increase in the existence of retirement funds in Texas. At the close of last year (1957) corporate pension funds held approximately $20 billion and government funds held an additional $45 billion.

Life insurance companies constitute the largest single group of holders of savings, and at the end of 1957 had assets of approximately $100 billion. Saving done through life insurance companies is contractual instead of discretionary. The savings program is connected with the purchase of insurance protection. There seems to be a current tendency to separate the two and purchase more of the lower cost life protection as provided by term or ordinary life contracts. This is not to imply that life insurance sales are down; they are not. Life insurance companies still continue to hold the largest share of individual savings, but investment type policies do not appear to be holding their own with purely life protection contracts.

The final group of savings institutions consists of savings-account type institutions such as commercial banks, mutual savings banks, and savings and loan associations. These types of institutions are similar in that they offer facilities through which their customers can make discretionary additions to and withdrawals from their accounts; also, all may be insured by an agency of the federal government. Within this group might also be included credit unions and the postal savings system. Credit unions customarily restrict their field of membership to a particular group and do not have facilities for share account insurance; however, both credit unions and the postal savings system offer their customers a deposit-like service.

This group is the largest of the four groups in the savings field and held approximately $132 billion in savings at the end of 1957, which was distributed as follows: commercial banks, $54 billion; savings and loan associa-

tions, $42 billion; mutual savings banks, $32 billion; credit unions, $3 billion; and the postal savings system, $1 billion. In Texas the distribution among these five savings institutions was, at the end of 1957: commercial banks, $1,353 million; savings and loan associations, $1,282 million; credit unions, $162 million; and postal savings, $49 million. Texas has no mutual savings banks.

In recent years the expansion of savings and loan association assets has been rapid. This has been true on both a nationwide and on an area basis. To give a complete picture, it may be desirable to treat not only the developments in Texas but also those in this Federal Home Loan Bank District (Arkansas, Louisiana, Mississippi, New Mexico and Texas). In the five-state district, the number of savings and loan associations has increased from 312 in 1954 to 369 in 1957, an increase of 57. Texas accounted for 37 of these and the number of savings and loan associations in Texas increased from 154 in 1954 to 191 in 1957, and by July 31, 1958, the figure for Texas was 195.* While the number of associations operating in the Southwest has increased, the assets of these associations have increased proportionately more. In 1954, the associations in this five-state district held assets of approximately $1.3 billion. In 1957, the figure had increased by approximately 100% to $2.6 billion. In Texas the asset figure increased from approximately $707 million in 1954 to $1,498 million in 1957, an increase of 112%. By July 31, 1958, assets of Texas associations amounted to $1,663 million.

As was mentioned earlier, the main source of funds to a savings and loan association is the savings of individuals. Savings have increased steadily and rapidly over the past several years. At the same time, withdrawals of these funds have been increasing. Because the return on a savings and loan account is customarily paid semiannually (June 30 and December 31), highest withdrawals are experienced immediately after the payment of dividends—that is, during the months of January and July. This withdrawal is expressed by the so-called withdrawal ratio—a relationship between new savings received during the month and withdrawals. A withdrawal ratio of 100% would indicate that the net savings figure did not change during the period as an association experiencing a withdrawal ratio of 100% paid out as much in withdrawals as it received in new savings. A withdrawal ratio of less than 100% would indicate that the association increased its net savings and one of more than 100% would indicate that net savings decreased during the month. In 1954 the July withdrawal ratio for all Texas associations was 82%; in 1955 it was 92%; in 1956 it was 99%; in 1957 it was 98%; and in 1958 it was 103%.

Discussion here has concerned itself primarily with the assets and flow of funds in savings and loan associations. Savings and loan associations invest primarily in residential mortgages and last year made nearly 40% of all resi-

*These figures do not include 5 Texas associations with assets of approximately $10 million which are not members of the central bank, The Federal Home Loan Bank of Little Rock.

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS IN THE DALLAS FEDERAL RESERVE DISTRICT

Source: Board of Governors of the Federal Reserve System

Account	Percent change* Aug 1958 from July 1958	Aug 1958 from Aug 1957	Aug 1957 from July 1957
TOTAL ASSETS	+ 2	+ 9	+ 1
Loans and investments, less loans to banks and valuation reserves	+ 2	+ 11	+ 1
Loans, less loans to banks and valuation reserves	+ 1	+ 8	+ 1
Commercial, industrial, and agricultural loans	+ 1	+ 7	+ 1
Loans for purchasing or carrying securities	— 5	+ 17	**
Real estate loans	+ 3	+ 17	+ 1
Other loans	**	+ 4	+ 1
Total U. S. Government securities	+ 6	+ 15	+ 2
Treasury bills	— 13	— 69	+ 28
Treasury certificates of indebtedness	+172	+117	— 9
Treasury notes	— 3	+ 65	— 2
Bonds	— 5	+ 15	— 1
Other securities	+ 1	+ 14	+ 1
Loans to banks	+189	+126	+ 44
Reserve with Federal Reserve banks	— 8	— 13	**
Cash in vaults	— 4	— 4	+ 9
Balance with domestic banks	+ 1	+ 27	— 4
Other net assets	+ 8	— 1	+ 17
TOTAL LIABILITIES	+ 2	+ 9	+ 2
Total adjusted deposits	+ 1	+ 8	**
Demand deposits	— 2	+ 1	— 3
Time deposits	+ 1	+ 30	+ 2
U. S. Government deposits	+ 57	— 19	+ 52
Total interbank deposits	+ 5	+ 22	+ 1
Domestic banks	+ 5	+ 22	+ 1
Foreign banks	+ 12	— 10	**
Borrowings	— 80	— 94	+ 89
Other liabilities	+ 32	— 8	+ 59
CAPITAL ACCOUNTS	**	+ 8	+ 1

*Percentage changes are based on the week nearest the end of the month.

**Change is less than one-half of one percent.

REVENUE RECEIPTS OF THE STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Account	September 1-August 31 1957–58	1956–57	Percent change
TOTAL	$1,017,490,439	$961,900,342	+ 6
Ad valorem, inheritance, and poll taxes	47,189,652	43,567,310	+ 8
Natural and casinghead gas production taxes	42,671,984	41,246,207	+ 3
Crude oil production taxes	129,914,477	152,008,199	— 15
Other gross receipts and production taxes	21,864,565	22,338,995	— 2
Insurance companies and other occupation taxes	27,421,190	25,285,877	+ 8
Motor fuel taxes (net)	169,912,128	164,702,798	+ 3
Cigarette taxes and licenses	48,017,739	45,706,555	+ 5
Alcoholic beverage taxes and licenses	31,927,291	31,536,985	+ 1
Automobile and other sales taxes	21,802,312	22,701,016	— 4
Licenses and fees	32,695,606	25,502,471	+ 28
Franchise taxes	38,346,963	34,861,635	+ 10
Mineral leases, land sales, rentals, and bonuses	14,579,971	20,287,130	— 28
Oil and gas royalties	28,114,861	32,521,226	— 14
Interest earned	27,992,736	22,793,466	+ 23
Unclassified receipts	69,474,609	58,857,129	+ 18
Other miscellaneous revenue	10,028,076	11,574,299	— 13
Federal aid for highways	112,629,727	72,242,004	+ 56
Federal aid for public welfare	124,426,518	116,110,079	+ 7
Other federal aid	16,563,478	17,683,253	— 6
Donations and grants	1,916,556	373,708	+413

Construction:

AUGUST PERMITS 37% ABOVE AUGUST 1957

By ROBERT H. DRENNER

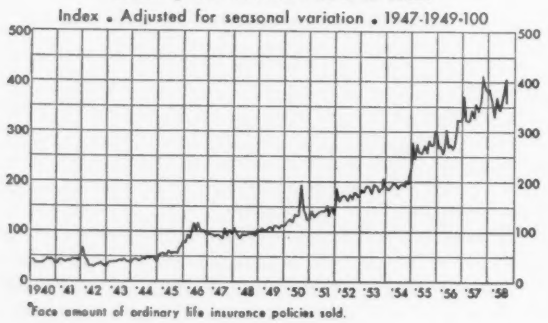
The total value of urban building construction in Texas for which permits were issued in August was an estimated $113,660,000, down 9% from July but 37% above permits issued in August 1957. Though the 9% decline was wholly nonseasonal—ordinarily building authorizations in Texas in July and August are at roughly the same level—a substantially greater decline was not unexpected, in view of the extremely large number of permits issued in the preceding month. As a result of the moderate drop the Bureau's seasonally adjusted index of building authorized fell 20 points (from 293 to 273) from its record height in July, still leaving the index at the second highest level in history. In spite of the drop, and because of the great improvement in August permits over the same month a year ago, the eight-month permit total rose to 15% over the same period last year from the 13% improvement that had been shown by the seven-month cumulative comparison.

(continued from page 15)

dential loans. On July 30, 1958, Texas savings and loan associations held mortgage loans amounting to more than $1,382 million, an amount approximating 80% of total assets and 95% of savings accounts. During the month of July alone the mortgage holdings of Texas associations increased by approximately $23 million. Savings and loan associations also purchase large amounts of government bonds. On July 31 of this year, Texas associations held in excess of $175 million in cash and government bonds, an amount equal to approximately 12% of savings accounts.

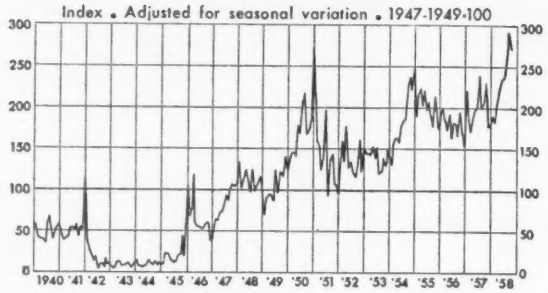
In summary, while savings and loan associations are only one of the many financial institutions in Texas, they are a rapidly growing segment of the financial picture and one which is becoming increasingly important in the state. Over the past few years, the savings and loan industry in Texas has grown at a more rapid rate than other financial institutions. The number of savings and loan associations in Texas has increased, but the savings accounts held by these institutions as well as their mortgage loans have increased more than proportionately.

Ordinary Life Insurance Sales in Texas*



*Face amount of ordinary life insurance policies sold.

Building Construction in Texas*



*Value of building construction authorized.

RESIDENTIAL

Though permits issued in August declined from July in all three of the major permit classifications, the fall in residential authorizations was nominal only, the dollar total being very close to July's all-time high. There is historically an approximate 7% rise in residential permits from July to August, however, so that the seasonally adjusted residential index fell from July's 323 to 300. That this decline was largely responsible for the drop in the general building index was in line with the normal pattern; residential authorizations ordinarily constitute such a large proportion of total building permits issued each month in Texas that the overall index tends to follow seasonally adjusted residential permit activity rather closely.

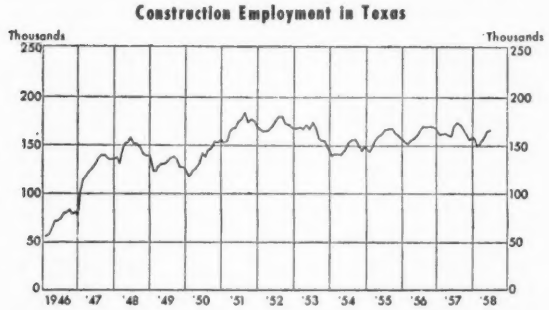
If residential authorizations follow their normal seasonal movement in Texas, they will fall slowly in each of the four remaining months of the year. But though builders, anticipating the approach of winter weather, do usually cut back the number of starts planned in the months immediately ahead, winter does not affect projected building activity in Texas to nearly the extent that it does activity farther north. Normally, 29.2% of the annual state total of new residential building authorizations are issued in the last four months of the year (the usual percentage of the year's total for each month: September, 8.19%; October, 7.35%; November, 7.01%; and December, 6.66%. January and February are both above-average months, with 8.38% and 8.36%, respectively, of the annual residential permit total).

If, then, sharp declines in planned residential building occur in the next four months, factors other than the usual small seasonal downturn will be involved. Unusually wet or severe weather would upset builders' schedules, for example. A substantial tightening of the mortgage money supply would make it difficult for many marginal contractors to continue homebuilding and would also reduce operations by established builders (there is some evidence that builders are rushing to get mortgage commitments on future homes in order to delay as much as possible the effect of an anticipated continued rise in interest rates). Though there does not yet appear to be any significant weakening of the demand for new homes, starts in several of the state's metropolitan areas—most noticeably in Houston—have been running up to 50% higher than meter connections, and some observers feel that the buildup in the backlog of unsold new homes is approaching an upper limit. On the other hand, new applications received for processing by the FHA—under present conditions an all-

important indicator of future home construction activity—continue at near-record volume, supporting an optimistic prediction for Texas building through the balance of the year.

In short, though the extremely high level of new residential permits issued in July and August will probably not be maintained, only moderate declines are anticipated. Permits issued during the last four months should be considerably higher than those issued in the same months last year. Last year's highest level for the residential index was reached in July; from that month on, with the single important exception of October, monthly permit activity decreased markedly, paralleling the national decline in home construction during the same period (in 1955, when homebuilding in Texas was at approximately the same rate as in 1957, an average decline was also experienced in the second half of the year). But it is unlikely that the very large improvement shown thus far in the cumulative comparison will rise much more; new home authorizations in

Construction Employment in Texas



Texas in 1958 will apparently be about one-third greater than in the best previous year. In comparison, the most optimistic estimates of new residential units to be authorized in the United States this year are for a maximum 15% rise from the 1957 total; 12% is a widely accepted figure.

For the first six months of this year, actual housing starts in the United States were 4% above January-June 1957; in the second quarter starts were 7% above the same quarter a year ago. In contrast, starts in the El Paso Standard Metropolitan Area in the six-month period were 102% above January-June 1957; in the second quarter they exceeded the same quarter last year by 108%. Other showings for the same periods, by those metropolitan areas that together account for the majority of Texas starts, were: San Antonio, +42% and +97%; Houston, +12% and +63%; Dallas, +46% and +36%; Corpus Christi, +74% and +73%; Austin, +36% and +47%; Beaumont-Port Arthur, +17% and +42%; and Fort Worth, +9% and —1%. Several of the smaller metropolitan areas (Lubbock, for example) also registered notable increases.

NONRESIDENTIAL

New nonresidential building authorized in Texas in August fell 17% from July to a dollar total of $35,896,000. The decrease was only slightly greater than the normal seasonal decline from July to August; the adjusted nonresidential index fell only two points to 275. More encouraging, the August 1958 total was 55% above the same month last year. As a result, the 7% lag shown in the seven-month cumulative comparison was changed to a 1% decrease from last year in the eight-month comparison.

In July, the nonresidential permit total was supported by increases in permits for new hotels and tourist courts, hospitals, and office-bank buildings. In August all three of these large categories declined sharply, but these declines were offset by a large gain (+152%) in permits for new schools, and for new stores and mercantile buildings (+27%). The latter two categories, in fact, accounted for almost half of all permits for new nonresidential construction issued in Texas in August.

Permits for new industrial buildings fell 17% from July, were 41% under August 1957, and in the eight-month comparison were 45% under January-August 1957. The decline in such building, however, appears to have been halted; comparisons with industrial permits issued in comparable periods last year appear to be gradually becoming more favorable. For the 1958 first half, for example, new factory authorizations were 50% under January-June 1957.

ESTIMATED VALUE OF BUILDING AUTHORIZED

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Classification	August 1958	January-August 1958	January-August 1957	Percent change
	Thousands of dollars			
CONSTRUCTION CLASS				
ALL PERMITS	113,660	811,806	704,202	+ 15
Residential (housekeeping)	69,538	474,317	355,957	+ 33
One-family dwellings	63,150	430,017	341,257	+ 26
Multiple-family dwellings	6,388	44,300	14,699	+201
Nonresidential buildings	35,896	258,281	260,600	— 1
Nonhousekeeping buildings (residential)	1,143	8,836	5,180	+ 71
Amusement buildings	1,034	6,946	5,328	+ 30
Churches	2,408	23,925	24,652	— 3
Factories and workshops	1,655	15,693	28,751	— 45
Garages (commercial and private)	360	3,307	3,676	— 10
Service stations	714	6,628	8,671	— 24
Institutional buildings	1,591	12,396	12,891	— 4
Office-bank buildings*	7,965	49,631	42,980	+ 15
Work and utilities	577	11,397	12,896	— 12
Educational buildings	8,852	59,279	61,881	— 4
Stores and mercantile buildings	8,673	51,746	47,141	+ 10
Other buildings and structures‡	924	8,497	6,558	+ 30
Additions, alterations, and repairs§	8,226	78,707	87,645	— 10
METROPOLITAN vs. NON-METROPOLITAN†				
Total Metropolitan	89,258	612,449	537,515	+ 14
Central cities	75,318	520,622	471,773	+ 10
Outside central cities	13,940	91,827	65,742	+ 40
Total non-metropolitan	24,402	198,856	166,687	+ 19
10,000 to 50,000 population	18,817	145,932	121,323	+ 20
Less than 10,000 population	5,585	52,924	45,364	+ 17

*Includes public (nonfederal) administration buildings beginning July 1957.

†As defined in 1950 census.

‡Includes government (nonfederal) service buildings beginning July 1957.

§Includes additions and alterations to public buildings beginning July 1957.

Local Business

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
ABILENE (pop. 55,000[r])			
Retail sales	.....	+ 15	— 6
General merchandise stores	.....	**	— 10
Lumber, building material, and hardware stores	.....	— 18	— 18
Building permits, less federal contracts	$ 1,740,677	— 15	— 31
Bank debits (thousands)	$ 81,996	— 3	— 4
End-of-month deposits (thousands)	$ 60,250	+ 1	**
Annual rate of deposit turnover	16.4	— 4	— 2
Employment	30,500	+ 1	+ 1
Manufacturing employment	4,160	+ 2	+ 12
Percent unemployed†	6.9	— 5	+ 33
ALICE (pop. 16,449)			
Retail sales			
Lumber, building material, and hardware stores	.....	— 2	— 2
Postal receipts*	$ 17,040	+ 49	+ 70
Building permits, less federal contracts	$ 72,845	— 91	+130
ALPINE (5,261)			
Postal receipts*	$ 4,047	+ 12	+ 44
Bank debits (thousands)	$ 2,296	— 4	— 4
End-of-month deposits (thousands)	$ 3,381	— 17	— 19
Annual rate of deposit turnover	7.4	+ 4	+ 7
AMARILLO (pop. 125,049[r])			
Retail sales	.....	+ 3	— 12
Apparel stores	.....	+ 19	— 6
Automotive stores	.....	+ 8	— 25
Drug stores	.....	+ 7	— 2
Eating and drinking places	.....	+ 7	— 15
Furniture and household appliance stores	.....	— 12	+ 1
Gasoline and service stations	.....	— 10	— 7
Liquor stores	.....	+ 3	— 5
Lumber, building material, and hardware stores	.....	+ 3	+ 44
Building permits, less federal contracts	$ 2,279,823	+ 4	+ 19
Bank debits (thousands)	$ 180,396	— 5	**
End-of-month deposits (thousands)	$ 117,453	**	+ 13
Annual rate of deposit turnover	18.5	— 6	— 10
Employment	49,300	**	+ 2
Manufacturing employment	5,670	— 1	+ 5
Percent unemployed†	4.2	— 19	+ 14
AUSTIN (pop. 187,000[r])			
Retail sales	.....	+ 4	— 4
Apparel stores	.....	+ 4	+ 11
Automotive stores	.....	— 9	— 23
Drug stores	.....	+ 1	+ 14
Eating and drinking places	.....	+ 6	+ 15
Food stores	.....	+ 1	+ 4
Furniture and household appliance stores	.....	— 1	— 13
Gasoline and service stations	.....	+ 3	— 10
Lumber, building material, and hardware stores	.....	+ 7	— 5
Postal receipts*	$ 340,590	+ 29	+ 34
Building permits, less federal contracts	$ 3,040,332	— 35	— 47
Bank debits (thousands)	$ 167,630	— 7	— 1
End-of-month deposits (thousands)	$ 126,498	**	+ 7
Annual rate of deposit turnover	15.8	— 5	— 5
Employment	72,600	**	+ 3
Manufacturing employment	5,420	— 1	+ 3
Percent unemployed†	4.5	— 2	+ 15

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
ARLINGTON (pop. 27,550[r])			
Postal receipts*	$ 32,248	+ 65	+ 51
Building permits, less federal contracts	$ 1,112,811	— 43	— 37
Employment (area)	190,200	**	— 2
Manufacturing employment (area)	51,850	— 1	— 10
Percent unemployed (area)†	6.7	— 12	+ 14
BAY CITY (pop. 14,042[r])			
Postal receipts*	$ 11,462	+ 44	+ 34
Bank debits (thousands)	$ 11,927	.....	+ 6
End-of-month deposits (thousands)	$ 18,896	.....	+ 10
BAYTOWN (pop. 22,983)			
Postal receipts*	$ 24,227	+ 66	+ 58
Building permits, less federal contracts	$ 627,443	+ 47	+ 64
Bank debits (thousands)	$ 18,907	— 5	— 17
End-of-month deposits (thousands)	$ 21,247	**	— 6
Annual rate of deposit turnover	10.7	— 3	— 2
Employment (area)	431,200	**	— 1
Manufacturing employment (area)	88,275	— 1	— 8
Percent unemployed (area)†	6.7	— 9	+103
BEAUMONT (pop. 122,485[r])			
Retail sales	.....	+ 8	— 14
Apparel stores	.....	+ 4	— 13
Automotive stores	.....	+ 3	— 22
Eating and drinking places	.....	— 6	— 13
Food stores	.....	— 1	— 6
Furniture and household appliance stores	.....	+ 37	— 9
Gasoline and service stations	.....	— 9	— 3
General merchandise stores	.....	+ 14	— 6
Lumber, building material, and hardware stores	.....	+ 4	— 12
Postal receipts*	$ 124,216	+ 54	+ 45
Building permits, less federal contracts	$ 4,572,710	+ 68	+263
Bank debits (thousands)	$ 133,770	— 7	— 13
End-of-month deposits (thousands)	$ 103,781	+ 2	— 1
Annual rate of deposit turnover	15.6	— 5	— 10
Employment	84,000	**	— 5
Manufacturing employment	27,310	**	— 9
Percent unemployed†	10.7	+ 1	+168
BEEVILLE (pop. 10,500[r])			
Retail sales			
Automotive stores	.....	— 3	— 4
Furniture and household appliance stores	.....	+ 8	+ 2
Lumber, building material, and hardware stores	.....	— 7	+ 8
Postal receipts*	$ 11,124	+ 55	+ 36
Building permits, less federal contracts	$ 182,010	+ 18	— 1
Bank debits (thousands)	$ 9,635	+ 1	+ 6
End-of-month deposits (thousands)	$ 13,005	+ 2	+ 1
Annual rate of deposit turnover	9.0	— 2	+ 6
BORGER (pop. 18,059)			
Building permits, less federal contracts	$ 440,843	+ 50	+ 71
Bank debits (thousands)	$ 16,649	+ 2	— 3
End-of-month deposits (thousands)	$ 17,404	+ 17	+ 12
Annual rate of deposit turnover	12.4	.....	.....

For explanation of symbols, see page 23.

Conditions

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
BIG SPRING (pop. 24,442[r])			
Retail sales			
Automotive	.....	— 11	— 33
Lumber, building material, and hardware stores	.....	+ 11	+ 58
Postal receipts*	$ 28,331	+ 28	+ 33
Building permits, less federal contracts	$ 892,155	— 35	+274
Bank debits (thousands)	$ 32,717	+ 3	**
End-of-month deposits (thousands)	$ 24,249	— 5	+ 5
Annual rate of deposit turnover	15.7	+ 1	— 8
BRADY (pop. 5,944)			
Postal receipts*	$ 5,659	+ 80	+103
Building permits, less federal contracts	$ 48,510	+670	+385
Bank debits (thousands)	$ 4,130	— 30	+ 11
End-of-month deposits (thousands)	$ 7,134	+ 2	+ 12
Annual rate of deposit turnover	7.0	.....	+ 1
BRENHAM (pop. 6,941)			
Postal receipts*	$ 7,613	+ 48	+ 43
Building permits, less federal contracts	$ 64,640	+ 12	+178
Bank debits (thousands)	$ 7,928	+ 14	+ 12
End-of-month deposits (thousands)	$ 12,091	+ 1	+ 7
Annual rate of deposit turnover	7.9	.....	+ 7
BROWNSVILLE (pop. 36,066)			
Retail sales			
Automotive stores	.....	+ 16	— 5
Lumber, building material, and hardware stores	.....	+ 21	— 17
Building permits, less federal contracts	$ 152,667	— 85	+ 3
BROWNWOOD (pop. 20,181)			
Retail sales			
Apparel stores	.....	+ 21	+ 12
Furniture and household appliance stores	.....	— 16	— 37
Postal receipts*	$ 22,985	+ 34	+ 38
Building permits, less federal contracts	$ 14,243	— 56	— 76
Bank debits (thousands)	$ 12,307	+ 1	+ 15
End-of-month deposits (thousands)	$ 13,282	+ 1	+ 12
Annual rate of deposit turnover	11.2	**	+ 9
BRYAN (pop. 23,883[r])			
Retail sales	.....	+ 2	— 13
Apparel stores	.....	— 10	+ 5
Automotive stores	.....	— 16	— 40
Lumber, building material, and hardware stores	.....	— 3	— 30
Postal receipts*	$ 22,789	+ 47	+ 41
Building permits, less federal contracts	$ 114,000	— 46	— 53
CORPUS CHRISTI (pop. 165,458[u])			
Retail sales			
Apparel stores	.....	— 7	+ 7
Automotive stores	.....	+ 6	+ 7
Lumber, building material, and hardware stores	.....	— 8	+ 15
Postal receipts*	$ 165,695	+ 18	+ 35
Building permits, less federal contracts	$ 2,053,906	— 40	+ 38
Bank debits (thousands)	$ 186,943	— 3	— 10
End-of-month deposits (thousands)	$ 113,563	+ 4	+ 1
Annual rate of deposit turnover	20.2	— 4	— 8
Employment	64,700	**	**
Manufacturing employment	8,460	+ 1	+ 1
Percent unemployed†	7.3	— 14	+ 74

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
CISCO (pop. 5,230)			
Postal receipts*	$ 4,376	+ 60	+ 49
Bank debits (thousands)	$ 2,297	— 15	— 7
End-of-month deposits (thousands)	$ 3,947	+ 4	+ 9
Annual rate of deposit turnover	7.1	.....	— 13
CLEBURNE (pop. 12,905)			
Retail sales			
Apparel stores	.....	+ 37	— 6
Postal receipts*	$ 13,365	+ 44	+ 41
Building permits, less federal contracts	$ 49,240	— 30	— 32
CORSICANA (pop. 19,211)			
Postal receipts*	$ 23,643	— 23	+ 96
Building permits, less federal contracts	$ 81,100	+ 56	— 40
Bank debits (thousands)	$ 15,760	+ 1	— 6
End-of-month deposits (thousands)	$ 22,057	— 1	+ 2
Annual rate of deposit turnover	8.5	+ 2	— 8
DALLAS (pop. 538,924[u])			
Retail sales	.....	+ 1	— 9
Apparel stores	.....	+ 31	+ 1
Automotive stores	.....	— 3	— 23
Drug stores	.....	+ 3	+ 1
Eating and drinking places	.....	+ 5	— 10
Food stores	.....	— 4	— 7
Furniture and household appliance stores	.....	— 15	**
General merchandise stores	.....	— 1	— 12
Jewelry stores	.....	+ 6	— 2
Lumber, building material, and hardware stores	.....	— 3	+ 5
Postal receipts*	$ 1,957,072	+ 29	+ 23
Building permits, less federal contracts	$13,278,403	— 46	+ 43
Bank debits (thousands)	$ 2,153,933	— 4	— 7
End-of-month deposits (thousands)	$ 1,065,968	+ 2	+ 9
Annual rate of deposit turnover	24.5	— 5	— 12
Employment	344,300	+ 1	**
Manufacturing employment	86,675	+ 1	— 6
Percent unemployed†	4.3	— 14	+ 79
DENISON (pop. 17,504)			
Retail sales			
Automotive stores	.....	+ 12	— 12
Postal receipts*	$ 28,710	+150	+ 61
Building permits, less federal contracts	$ 106,460	— 15	+ 45
Bank debits (thousands)	$ 16,111	.....	+ 4
End-of-month deposits (thousands)	$ 13,191	.....	— 24
DENTON (pop. 21,372)			
Retail sales			
Drug stores	.....	— 1	+ 1
Postal receipts*	$ 26,390	+ 47	— 1
Building permits, less federal contracts	$ 738,600	— 49	+220
EDINBURG (pop. 15,993[r])			
Postal receipts*	$ 11,633	+ 49	+ 48
Building permits, less federal contracts	$ 107,170	+ 19	+119
Bank debits (thousands)	$ 15,004	+ 38	+ 23
End-of-month deposits (thousands)	$ 7,256	+ 1	— 1
Annual rate of deposit turnover	25.0	.....	+ 24

For explanation of symbols, see page 23.

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
EL PASO (pop. 244,400[r])			
Retail sales	.....	+ 4	— 3
Apparel stores	.....	+ 26	+ 31
Automotive stores	.....	— 7	— 19
Drug stores	.....	+ 4	+ 16
Furniture and household appliance stores	.....	+ 5	+ 17
General merchandise stores	.....	+ 15	+ 3
Lumber, building material, and hardware stores	.....	+ 5	+ 23
Postal receipts*	$ 269,273	+ 48	+ 51
Building permits, less federal contracts	$ 7,794,120	+ 29	+217
Bank debits (thousands)	$ 282,251	— 4	+ 3
End-of-month deposits (thousands)	$ 153,556	+ 2	+ 9
Annual rate of deposit turnover	22.3	— 4	— 5
Employment	81,100	**	+ 2
Manufacturing employment	13,650	+ 1	+ 3
Percent unemployed†	4.5	— 6	+ 25
FORT WORTH (pop. 315,578[u])			
Retail sales	.....	+ 6	+ 3
Apparel stores	.....	+ 24	+ 9
Automotive stores	.....	— 4	— 8
Drug stores	.....	+ 2	+ 6
Eating and drinking places	.....	+ 6	— 3
Food stores	.....	— 1	+ 10
Furniture and household appliance stores	.....	+ 21	— 1
Gasoline and service stations	.....	— 6	— 2
General merchandise stores	.....	+ 23	+ 4
Lumber, building material, and hardware stores	.....	+ 13	+ 7
Postal receipts*	$ 633,995	+ 24	+ 25
Building permits, less federal contracts	$ 5,521,712	— 15	+ 61
Bank debits (thousands)	$ 669,407	— 9	— 2
End-of-month deposits (thousands)	$ 362,227	— 2	+ 3
Annual rate of deposit turnover	22.0	— 8	— 3
Employment	190,200	**	— 2
Manufacturing employment	51,850	— 1	— 10
Percent unemployed†	6.7	— 12	+ 14
GALVESTON (pop. 71,527[u])			
Retail sales	.....	+ 1	— 8
Apparel stores	.....	+ 5	— 2
Food stores	.....	+ 2	— 5
Postal receipts*	$ 85,698	+ 17	+ 22
Building permits, less federal contracts	$ 191,203	— 31	+ 13
Bank debits (thousands)	$ 86,201	— 6	— 18
End-of-month deposits (thousands)	$ 67,742	— 1	**
Annual rate of deposit turnover	15.2	— 7	— 18
Employment (area)	47,350	**	— 5
Manufacturing employment (area)	10,960	**	— 9
Percent unemployed (area)†	7.9	+ 1	+ 41
GARLAND (pop. 28,151[r])			
Postal receipts*	$ 21,927	+ 6	+ 44
Building permits, less federal contracts	$ 1,987,798	+ 62	+ 88
Bank debits (thousands)	$ 17,438	— 6	**
End-of-month deposits (thousands)	$ 11,894	+ 6	— 15
Annual rate of deposit turnover	18.1	— 10	+ 18
Employment (area)	344,300	+ 1	**
Manufacturing employment (area)	86,675	+ 1	— 6
Percent unemployed (area)†	4.3	— 14	+ 79
GIDDINGS (pop. 2,532)			
Postal receipts*	$ 2,843	+ 43	+ 51
Bank debits (thousands)	$ 21,684	+ 8	+ 13
End-of-month deposits (thousands)	$ 3,652	+ 2	+ 5
Annual rate of deposit turnover	7.2	.....	+ 6
GLADEWATER (pop. 5,305)			
Postal receipts*	$ 6,072	+ 63	+ 64
Building permits, less federal contracts	$ 58,925	+295	+ 86
Bank debits (thousands)	$ 3,880	+ 9	+ 1
End-of-month deposits (thousands)	$ 4,502	— 1	+ 8
Annual rate of deposit turnover	10.3	+ 8	— 7
Employment (area)	25,700	**	— 1
Manufacturing employment (area)	4,660	+ 1	— 8
Percent unemployed (area)†	5.8	— 3	+ 57
GOLDTHWAITE (pop. 1,566)			
Postal receipts*	$ 2,861	+ 99	+124
Bank debits (thousands)	$ 2,921	— 1	+ 5
End-of-month deposits (thousands)	$ 3,471	+ 3	+ 4
Annual rate of deposit turnover	10.2	+ 2	+ 3
GONZALES (pop. 5,659)			
Building permits, less federal contracts	$ 131,595	— 2	+508
Bank debits (thousands)	$ 5,412	— 2	+ 10
End-of-month deposits (thousands)	$ 5,067	— 1	— 5
Annual rate of deposit turnover	12.7	— 5	+ 9
GRAND PRAIRIE (pop. 14,594)			
Postal receipts*	$ 20,041	+ 24	+ 37
Building permits, less federal contracts	$ 1,037,760	+193	+422
Employment (area)	344,300	+ 1	**
Manufacturing employment (area)	86,675	+ 1	— 6
Percent unemployed (area)†	4.3	— 14	+ 79
GREENVILLE (pop. 17,500[r])			
Retail sales	.....	+ 7	+ 4
Apparel stores	.....	— 31	— 2
Lumber, building material, and hardware stores	.....	+ 6	— 21
Postal receipts*	$ 20,064	+ 38	+ 37
Building permits, less federal contracts	$ 388,115	+331	+ 96
HARLINGEN (pop. 30,038[r])			
Retail sales			
Automotive stores	.....	— 8	— 15
Postal receipts*	$ 35,958	+ 41	+ 31
Building permits, less federal contracts	$ 233,275	— 56	— 36
Bank debits (thousands)	$ 69,355	+ 57	+ 14
End-of-month deposits (thousands)	$ 29,926	+ 9	+ 6
Annual rate of deposit turnover	29.0	+ 43	+ 15
HENDERSON (pop. 11,606)			
Retail sales	.....	— 4	— 26
Apparel stores	.....	+ 19	+ 4
Automotive stores	.....	— 7	— 31
Postal receipts*	$ 11,752	+ 58	+ 58
Building permits, less federal contracts	$ 76,900	— 57	+ 8
Bank debits (thousands)	$ 6,099	— 13	— 18
End-of-month deposits (thousands)	$ 15,867	+ 3	+ 26
Annual rate of deposit turnover	4.7	— 15	— 29
HEREFORD (pop. 8,500)			
Postal receipts*	$ 10,193	+ 61	+ 47
Building permits, less federal contracts	$ 57,000	— 11	— 69
Bank debits (thousands)	$ 10,984	+ 8	— 9
End-of-month deposits (thousands)	$ 10,208	— 7	+ 2
Annual rate of deposit turnover	12.4	+ 6	— 11

For explanation of symbols, see page 23.

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
HOUSTON (pop. 700,508[u])			
Retail sales¶	.....	+ 2	— 7
Apparel stores¶	.....	+ 19	— 4
Automotive stores¶	.....	— 3	— 28
Drug stores¶	.....	+ 4	+ 14
Eating and drinking places¶	.....	+ 3	— 1
Food stores¶	.....	+ 1	— 3
Furniture and household appliance stores¶	.....	— 1	— 2
Gasoline and service stations¶	.....	— 11	+ 2
General merchandise stores¶	.....	+ 5	— 6
Lumber, building material, and hardware stores¶	.....	**	— 3
Other retail stores¶	.....	+ 5	— 16
Postal receipts*	$ 1,447,485	+ 38	+ 27
Building permits, less federal contracts	$22,466,131	+ 8	+ 5
Bank debits (thousands)	$ 2,178,594	— 5	— 4
End-of-month deposits (thousands)	$ 1,195,234	**	**
Annual rate of deposit turnover	21.8	— 6	— 4
Employment (area)	431,200	**	— 1
Manufacturing employment (area)	88,275	— 1	— 8
Percent unemployed (area)†	6.7	— 9	+103
IRVING (pop. 40,065[r])			
Postal receipts*	$ 20,188	+ 32	+ 68
Building permits, less federal contracts	$ 862,746	— 11	+ 34
Employment (area)	344,300	+ 1	**
Manufacturing employment (area)	86,675	+ 1	— 6
Percent unemployed (area)†	4.3	— 14	+ 79
JASPER (pop. 4,403)			
Postal receipts*	$ 7,242	+ 35	+ 40
Bank debits (thousands)	$ 5,999	— 11	— 2
End-of-month deposits (thousands)	$ 6,686	— 2	**
Annual rate of deposit turnover	10.6	.....	— 3
KERMIT (pop. 6,912)			
Retail sales			
Automotive stores	.....	— 37	— 46
Postal receipts*	$ 8,398	+ 76	+ 49
Building permits, less federal contracts	$ 273,771	+710	+132
KILGORE (pop. 9,638)			
Postal receipts*	$ 15,992	+ 45	+ 71
Building permits, less federal contracts	$ 155,471	+ 50	+ 26
Employment (area)	25,700	**	— 1
Manufacturing employment (area)	4,660	+ 1	— 8
Percent unemployed (area)†	5.8	— 3	+ 57
KILLEEN (pop. 21,076[r])			
Postal receipts*	$ 31,198	+ 56	+ 19
Building permits, less federal contracts	$ 372,429	+ 4	+324
Bank debits (thousands)	$ 8,198	— 4	+ 20
End-of-month deposits (thousands)	$ 6,583	— 1	+ 7
Annual rate of deposit turnover	14.8	— 4	+ 25
LAMESA (pop. 10,704)			
Retail sales			
Automotive stores	.....	+ 17	— 9
Postal receipts*	$ 12,939	+ 68	+ 68
Building permits, less federal contracts	$ 98,400	— 73	+ 12
Bank debits (thousands)	$ 10,409	— 3	**
End-of-month deposits (thousands)	$ 12,196	— 3	+ 4
Annual rate of deposit turnover	10.1	+ 1	— 11
LAMPASAS (pop. 4,869)			
Postal receipts*	$ 4,846	+ 75	+ 48
Building permits, less federal contracts	$ 37,000	— 28	— 33
Bank debits (thousands)	$ 5,516	— 3	+ 15
End-of-month deposits (thousands)	$ 6,547	+ 3	**
Annual rate of deposit turnover	10.3	— 4	+ 17
LAREDO (pop. 59,350[r])			
Postal receipts*	$ 31,227	+ 19	+ 38
Building permits, less federal contracts	$ 68,010	— 39	— 61
Bank debits (thousands)	$ 23,020	— 13	— 4
End-of-month deposits (thousands)	$ 21,248	— 3	+ 7
Annual rate of deposit turnover	12.8	— 11	— 11
LLANO (pop. 2,954)			
Postal receipts*	$ 2,090	+ 14	+ 41
Building permits, less federal contracts	$ 76,000	+138	+322
Bank debits (thousands)	$ 4,449	+ 49	+ 28
End-of-month deposits (thousands)	$ 4,091	+ 15	+ 17
Annual rate of deposit turnover	14.0	+ 36	+ 13
LOCKHART (pop. 5,573)			
Postal receipts*	$ 3,551	.....	+ 27
Building permits, less federal contracts	$ 21,100	— 13	+ 13
Bank debits (thousands)	$ 3,919	+ 19	— 14
End-of-month deposits (thousands)	$ 4,574	+ 10	**
Annual rate of deposit turnover	10.8	+ 10	— 13
LONGVIEW (pop. 34,328[r])			
Building permits, less federal contracts	$ 679,774	— 41	+ 5
Employment (area)	25,700	**	— 1
Manufacturing employment (area)	4,660	+ 1	— 8
Percent unemployed (area)†	5.8	— 3	+ 57
LUBBOCK (pop. 134,156[r])			
Retail sales	.....	+ 10	— 5
Apparel stores	.....	+ 13	— 4
Furniture and household appliance stores	.....	— 6	+ 1
General merchandise stores	.....	+ 9	+ 2
Lumber, building material, and hardware stores	.....	+ 10	+ 46
Postal receipts*	$ 145,397	+ 60	+ 47
Building permits, less federal contracts	$ 3,730,849	— 6	+143
Bank debits (thousands)	$ 146,198	— 1	+ 10
End-of-month deposits (thousands)	$ 101,414	**	+ 8
Annual rate of deposit turnover	17.3	— 1	+ 3
Employment	44,850	**	+ 2
Manufacturing employment	4,420	**	+ 14
Percent unemployed†	5.7	**	+ 14
McALLEN (pop. 25,326[r])			
Retail sales			
Apparel stores	.....	— 17	+ 2
Automotive stores	.....	+ 13	— 3
Postal receipts*	$ 26,113	+ 48	— 29
Building permits, less federal contracts	$ 544,900	+ 47	+235
Bank debits (thousands)	$ 23,274	+ 3	+ 8
End-of-month deposits (thousands)	$ 17,484	— 6	— 15
Annual rate of deposit turnover	15.5	+ 2	+ 17
McKINNEY (pop. 10,560)			
Building permits, less federal contracts	$ 113,850	+ 56	+ 18
Bank debits (thousands)	$ 9,133	+ 15	+ 32
End-of-month deposits (thousands)	$ 10,384	— 16	— 9
Annual rate of deposit turnover	10.9	+ 36	+ 47

For explanation of symbols, see page 23.

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
MARSHALL (pop. 25,479[r])			
Retail sales			
Apparel stores	.....	— 7	— 3
General merchandise stores	.....	**	+ 1
Postal receipts*	$ 24,219	+ 36	+ 52
Building permits, less federal contracts	$ 41,713	— 66	— 79
Bank deposits (thousands)	$ 14,581	— 8	**
End-of-month deposits (thousands)	$ 19,872	**	**
Annual rate of deposit turnover	8.8	— 6	**
MERCEDES (pop. 10,081)			
Postal receipts*	$ 6,003	+ 62	+ 50
Building permits, less federal contrats	$ 37,045	+181	— 14
Bank debits (thousands)	$ 9,272	+ 41	+ 13
End-of-month deposits (thousands)	$ 6,948	+ 18	— 3
Annual rate of deposit turnover	17.4	+ 30	+ 24
MIDLAND (pop. 50,160[r])			
Postal receipts*	$ 54,872	— 11	+ 11
Building permits, less federal contracts	$ 3,154,450	+ 38	+119
Bank debits (thousands)	$ 68,761	— 84	— 10
End-of-month deposits (thousands)	$ 87,250	+ 5	+ 8
Annual rate of deposit turnover	9.7	— 17	— 14
MONAHANS (pop. 6,311)			
Postal receipts*	$ 8,766	+ 90	+ 61
Building permits, less federal contracts	$ 143,000	— 55	— 23
Bank debits (thousands)	$ 8,509	— 10	— 9
End-of-month deposits (thousands)	$ 7,092	+ 1	— 18
Annual rate of deposit turnover	14.5	— 10	+ 14
NACOGDOCHES (pop. 12,327)			
Postal receipts*	$ 13,269	+ 15	+ 33
Building permits, less federal contracts	$ 16,599	— 75	— 63
Bank debits (thousands)	$ 13,685	— 2	+ 3
End-of-month deposits (thousands)	$ 15,263	— 1	+ 5
Annual rate of deposit turnover	10.7	— 2	— 3
NEW BRAUNFELS (pop. 12,210)			
Postal receipts*	$ 17,968	+ 30	+ 13
Building permits, less federal contracts	$ 89,125	— 66	+ 41
Bank debits (thousands)	$ 9,178	+ 44	+ 48
End-of-month deposits (thousands)	$ 11,031	+ 15	+ 15
Annual rate of deposit turnover	10.7	— 11	— 12
ODESSA (pop. 50,807[r])			
Retail sales			
Furniture and household appliance stores	.....	+ 14	+ 17
Postal receipts*	$ 74,294	+ 67	+ 67
Building permits, less federal contracts	$ 3,691,347	+180	+ 49
ORANGE (pop. 21,174)			
Retail sales			
Lumber, building material, and hardware stores	.....	— 31	— 31
Postal receipts*	$ 28,908	+ 83	+100
Building permits, less federal contracts	$ 323,793	+ 50	+ 35
Bank debits (thousands)	$ 19,164	— 3	— 11
End-of-month deposits (thousands)	$ 20,088	**	— 20
Annual rate of deposit turnover	11.4	— 3	+ 9
PALESTINE (pop. 15,063[r])			
Postal receipts*	$ 12,988	+ 44	+ 57
Building permits, less federal contracts	$ 68,050	— 49	+ 7
Bank debits (thousands)	$ 8,601	**	+ 19
End-of-month deposits(thousands)	$ 13,600	+ 1	+ 2
Annual rate of deposit turnover	7.6	— 1	+ 17
PAMPA (pop. 20,448)			
Retail sales			
Automotive stores	.....	— 13	— 30
Building permits, less federal contracts	$ 504,550	+ 22	— 21
Bank debits (thousands)	$ 18,341	— 1	— 6
End-of-month deposits (thousands)	$ 23,824	— 1	+ 7
Annual rate of deposit turnover	9.2	— 1	— 11
PARIS (pop. 24,551[r])			
Retail sales	.....	+ 11	+ 1
Apparel stores	.....	+ 3	— 7
Automotive stores	.....	+ 14	+ 3
Lumber, building material, and hardware stores	.....	— 18	— 8
Postal receipts*	$ 21,131	+ 59	+ 70
Building permits, less federal contracts	$ 94,848	— 42	— 86
Bank debits (thousands)	$ 13,511	— 6	— 2
End-of-month deposits (thousands)	$ 12,698	**	— 10
Annual rate of deposit turnover	12.8	.....	+ 10
PHARR (pop. 8,690)			
Postal receipts*	$ 7,533	+ 74	+113
Bank debits (thousands)	$ 4,851	+ 30	+ 23
End-of-month deposits (thousands)	$ 5,651	+ 48	+ 47
Annual rate of deposit turnover	12.3	+ 3	+ 6
PLAINVIEW (pop. 14,044)			
Retail sales	.....	— 7	+ 19
Apparel stores	.....	— 54	+ 2
Automotive stores	.....	+ 8	+ 31
Postal receipts*	$ 18,681	+ 56	+ 52
Building permits, less federal contracts	$ 449,650	+292	+201
PORT ARTHUR (pop. 82,150[u])			
Retail sales	.....	+ 5	— 18
Automotive stores	.....	+ 2	— 39
Eating and drinking places	.....	+ 7	— 5
Food stores	.....	+ 8	— 3
Furniture and household appliance stores	.....	— 4	— 20
General merchandise stores	.....	+ 18	— 5
Lumber, building material, and hardware stores	.....	**	+ 19
Postal receipts*	$ 58,497	+ 89	+ 55
Building permits, less federal contracts	$ 345,664	— 14	+ 13
Bank debits (thousands)	$ 62,289	— 11	— 10
End-of-month deposits (thousands)	$ 44,560	— 4	— 2
Annual rate of deposit turnover	16.4	— 9	— 12
Employment (area)	84,000	**	— 5
Manufacturing employment (area)	27,310	**	— 9
Percent unemployed (area) †	10.7	+ 1	+168
ROCKDALE (pop. 4,550[r])			
Postal receipts*	$ 4,195	+ 43	+ 25
Building permits, less federal contracts	$ 3,700	— 39	— 91
Bank debits (thousands)	$ 3,377	— 1	— 11
End-of-month deposits (thousands)	$ 5,323	+ 33	— 1
Annual rate of deposit turnover	8.7	— 16	+ 2
SAN MARCOS (pop. 9,980)			
Postal receipts*	$ 9,534	+ 19	+ 26
Building permits, less federal contracts	$ 10,050	+200	— 54
Bank debits (thousands)	$ 8,561	.....	+ 16
End-of-month deposits (thousands)	$ 8,365	.....	+ 11

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
SAN ANTONIO (pop. 555,000ʳ)			
Retail sales	.....	+ 1	+ 7
Apparel stores	.....	+ 16	— 5
Automotive stores	.....	— 1	— 11
Drug stores	.....	— 2	+ 3
Eating and drinking places	.....	+ 4	— 3
Furniture and household appliance stores	.....	— 12	— 7
Gasoline and service stations	.....	— 14	+ 20
General merchandise stores	.....	— 3	+ 2
Jewelry stores	.....	+ 19	— 2
Liquor stores	.....	— 8	**
Postal receipts*	$ 671,699	.....	+ 30
Building permits, less federal contracts	$ 6,380,343	+ 23	+ 32
Bank debits (thousands)	$ 514,492	— 9	— 3
End-of-month deposits (thousands)	$ 384,784	+ 1	+ 13
Annual rate of deposit turnover	16.2	— 9	— 13
Employment	193,800	— 1	+ 4
Manufacturing employment	23,075	+ 1	+ 3
Percent unemployed†	4.3	— 9	+ 5
SAN ANGELO (pop. 62,359ʳ)			
Retail stales	.....	+ 2	— 4
Lumber, building material, and hardware stores	.....	+113	**
Postal receipts*	$ 69,876	+ 52	.....
Building permits, less federal contracts	$ 1,271,257	+331	+242
Bank debits (thousands)	$ 46,610	— 5	— 2
End-of-month deposits (thousands)	$ 42,237	— 1	**
Annual rate of deposit turnover	13.2	— 6	— 1
Employment	22,200	**	— 6
Manufacturing employment	2,860	— 3	— 5
Percent unemployed†	8.3	— 18	+ 77
SHERMAN (pop. 25,855ʳ)			
Retail sales	.....	— 10	— 10
Apparel stores	.....	+ 3	— 4
Automotive stores	.....	— 27	— 33
Lumber, building material, and hardware stores	.....	— 9	+ 30
Postal receipts*	$ 28,461	+ 19	+ 29
Building permits, less federal contracts	$ 325,276	+ 5	+ 64
TEXAS CITY (pop. 23,000ʳ)			
Retail sales			
Lumber, building material, and hardware stores	.....	— 21	— 23
Postal receipts*	$ 21,694	+ 80	+ 48
Building permits, less federal contracts	$ 711,800	+ 62	+164
Bank debits (thousands)	$ 18,484	— 9	— 22
End-of-month deposits (thousands)	$ 11,918	+ 3	— 50
Annual rate of deposit turnover	18.9	— 8	+ 67
TYLER (pop. 49,443)			
Retail sales			
Automotive stores	.....	— 1	— 26
Postal receipts*	$ 73,545	+ 22	.....
Building permits, less federal contracts	$ 1,590,684	+ 32	+249
Bank debits (thousands)	$ 76,657	— 4	— 6
End-of-month deposits (thousands)	$ 62,041	— 1	+ 4
Annual rate of deposit turnover	14.8	— 4	— 8

City and item	Aug 1958	Percent Change: Aug 1958 from July 1958	Percent Change: Aug 1958 from Aug 1957
TEMPLE (pop. 33,912ʳ)			
Retail sales	.....	+ 3	— 2
Apparel stores	.....	+ 20	+ 17
Drug stores	.....	— 1	— 3
Furniture and household appliance stores	.....	+ 15	+ 8
Lumber, building material, and hardware stores	.....	— 12	— 19
Postal receipts*	$ 39,423	+ 84	+ 44
Building permits, less federal contracts	$ 249,210	— 26	— 9
Bank debits (thousands)	$ 20,255	.....	+ 6
End-of-month deposits (thousands)	$ 27,304	.....	— 6
TEXARKANA (pop. 31,051ʳ)			
Retail sales‡	.....	+ 3	**
Apparel stores‡	.....	+ 39	+ 3
Automotive stores‡	.....	— 2	— 9
Furniture and household appliance stores‡	.....	— 11	+ 9
Postal receipts‡	$ 57,552	+ 54	+ 41
Building permits, less federal contracts‡	$ 316,045	+125	+ 22
Bank debits (thousands)‡	$ 40,575	— 6	— 7
End-of-month deposits (thousands)‡	$ 16,341	**	— 1
Annual rate of deposit turnover‡	13.4	— 6	— 6
Employment‡	31,050	**	— 3
Manufacturing employment‡	4,210	**	— 12
Percent unemployed‡†	10.1	— 8	+ 22
VERNON (pop. 12,651)			
Postal receipts*	$ 10,911	+ 20	+ 48
Building permits, less federal contracts	$ 65,560	+ 26	+191
Bank debits (thousands)	$ 9,695	— 16	— 8
End-of-month deposits (thousands)	$ 19,890	+ 1	+ 12
Annual rate of deposit turnover	5.9	— 16	— 17
VICTORIA (pop. 49,164ʳ)			
Retail sales	.....	+ 9	— 6
Apparel stores	.....	+ 2	+ 1
Automotive stores	.....	+ 1	+ 16
Eating and drinking places	.....	+ 6	— 12
Furniture and household appliance stores	.....	+ 7	— 39
Gasoline and service stations	.....	+ 9	— 1
Lumber, building material, and hardware stores	.....	— 17	— 35
Postal receipts*	$ 35,613	+ 52	+ 34
Building permits, less federal contracts	$ 210,721	— 24	— 62
WACO (pop. 101,824ʳ)			
Retail sales	.....	+ 22	— 6
Apparel stores	.....	— 11	— 12
Automotive stores	.....	+ 34	— 3
Florists	.....	+ 8	— 6
Furniture and household appliance stores	.....	— 8	+ 4
General merchandise stores	.....	+ 26	— 7
Building permits, less federal contracts	$ 1,267,776	— 61	+ 18
Bank debits (thousands)	$ 94,497	— 4	+ 1
End-of-month deposits (thousands)	$ 68,833	+ 5	+ 9
Annual rate of deposit turnover	16.9	— 5	— 6
Employment	45,850	**	— 5
Manufacturing employment	8,800	+ 1	— 12
Percent unemployed†	6.5	— 6	+ 71

* Postal receipts for Amarillo and Tyler are for calendar month. Other cities receipts are for the period May 30–June 27.

ʃReported by the Bureau of Business and Economic Research, University of Houston, for Harris County.

‡ Figures include Texarkana, Arkansas (pop. 19,733) and Texarkana, Texas (pop. 31,051).

ʳRevised for use by the Texas Highway Department.

ᵘ1950 Urbanized Census.

**Change is less than one-half of one percent.

†All unemployment percentages represent a percent of total non-agricultural employment only.

BAROMETERS OF TEXAS BUSINESS

	Aug 1958	July 1958	Aug 1957	Year-to-date average 1958	Year-to-date average 1957
GENERAL BUSINESS ACTIVITY					
†Texas business activity, index	193	197	203	194	197
Miscellaneous freight carloadings in SW District, index	80	67	87	77	85
Ordinary life insurance sales, index	359	405	342	364	341
Wholesale prices in U. S., unadjusted index	119.1	119.2	118.4	119.2	117.4
‡Consumers' prices in Houston, unadjusted index	124.0	.....	122.1	123.3	121.2
Consumers' prices in U. S., unadjusted index	123.7	123.9	121.0	123.3	119.6
Income payments to individuals in U.S. (billions, at seasonally adjusted annual rate)	$ 355.6*	$ 358.8**	$ 352.1	$ 350.8	$ 344.9
Business failures (number)	25	34	38	35	.....
TRADE					
Total retail sales, index	193*	195*	.....	.....	.....
Durable-goods stores	152*	152*	.....	.....	.....
Nondurable-goods stores	215*	218*	.....	.....	.....
Ratio of credit sales to net sales in department and apparel stores	66.1*	65.3*	65.7	67.8	67.5
Ratio of collections to outstandings in department and apparel stores	36.3*	37.5*	36.4	37.5	37.8
PRODUCTION					
Total electric power consumption, index	379*	358*	370	334	344
Industrial electric power consumption, index	335*	323*	352	330	360
Crude oil production, index	117*	105*	122	107	135
Crude oil runs to stills, index	140	136	146	132	146
Gasoline consumption, index	.....	199	187	.....	170
Natural gas production, index	.....	184	186	.....	186
Industrial production in U.S., index	137*	134	145	131	145
Southern pine production, index	.....	101	111	.....	107
Cottonseed crushed, index	120	172	87	159	121
Construction authorized, index	273*	293*	200	231	200
Residential building	300*	323*	188	257	192
Nonresidential building	275*	277*	191	208	209
AGRICULTURE					
Farm cash income, unadjusted index	129	115	115	97	74
Prices received by farmers, unadjusted index, 1909–14=100	286	283	271	276	266
Prices paid by farmers in U. S., unadjusted index, 1909–14=100	304	305	295	304	295
Ratio of Texas farm prices received to U. S. prices paid by farmers	94	93	92	91	90
FINANCE					
Bank debits, index	230	235	240	231	231
Bank debits, U.S., index	198	215	203	207	200
Reporting member banks, Dallas Reserve District:					
§Loans (millions)	$ 2,619	$ 2,605	$ 2,432	$ 2,548	$ 2,405
§Loans and investments (millions)	$ 4,437	$ 4,338	$ 4,012	$ 4,181	$ 3,906
Adjusted demand deposits (millions)	$ 2,647	$ 2,688	$ 2,625	$ 2,648	$ 2,643
Revenue receipts of the State Comptroller (thousands)	$ 78,879	$ 76,981	$ 74,367	$ 88,443	$ 86,080
Federal Internal Revenue collections (thousands)	$228,888	$163,906	$241,550	$253,901	$253,388
LABOR					
Total nonagricultural employment (thousands)¶	2,456.9	2,449.8	2,489.1	2,443.1	2,461.3
Total manufacturing employment (thousands)¶	457.5	465.5	489.0	461.1	485.6
Durable-goods employment (thousands)¶	215.1	213.3	242.8	217.9	241.3
Nondurable-goods employment (thousands)¶	242.2	243.2	246.2	243.3	244.4
Total nonagricultural labor force in 17 labor market areas (thousands)	1,917.2	1,923.9	1,878.6	1,913.3	1,866.0
Employment in 17 labor market areas (thousands)	1,796.3	1,792.8	1,804.3	1,790.9	1,785.6
Manufacturing employment in 17 labor market areas (thousands)	354.2	354.2	376.2	356.6	377.6
Total unemployment in 17 labor market areas (thousands)	115.5	127.4	73.2	121.0	79.9
Percent of labor force unemployed in 17 labor market areas	6.0	6.6	3.9	6.3	4.3

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1947–49, except where indicated; all are adjusted for seasonal variation, except annual indexes.

Employment estimates have been adjusted to first quarter 1957 benchmarks.

† Based on bank debits in 20 cities, adjusted for price level.

‡ Index computed for February, May, August, and November only.

§ Exclusive of loans to banks after deduction of valuation reserves.

¶ Figures are for wage and salary workers only. Other labor figures include proprietors, firm members, self-employed, independent contracts, unpaid family and private household workers.

** Includes lump-sum retroactive salary payments to Federal employees at an annual rate of $4.6 billion ($380 million multiplied by 12).

* Preliminary.